Doctoral Dissertations

Graduate School

8-2003

An examination of the relationships between consumer benefits, satisfaction, and loyalty in the purchase of retail store branded products

Jason Matthew Carpenter

To the Graduate Council:

I am submitting herewith a dissertation written by Jason Matthew Carpenter entitled "An examination of the relationships between consumer benefits, satisfaction, and loyalty in the purchase of retail store branded products." I have examined the final electronic copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy, with a major in Human Ecology.

Ann Fairhurst, Major Professor

We have read this dissertation and recommend its acceptance:

Accepted for the Council:

Carolyn R. Hodges

Vice Provost and Dean of the Graduate School

(Original signatures are on file with official student records.)
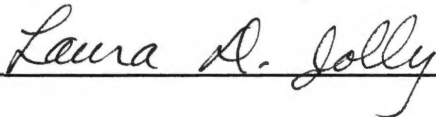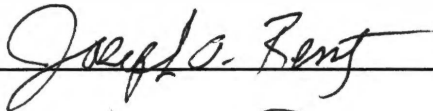
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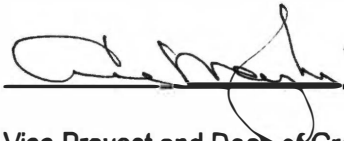
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AN EXAMINATION OF THE RELATIONSHIPS BETWEEN CONSUMER BENEFITS, SATISFACTION, AND LOYALTY IN THE PURCHASE OF RETAIL STORE BRANDED PRODUCTS

A Dissertation
Presented for the
Doctor of Philosophy Degree
The University of Tennessee, Knoxville

Jason Matthew Carpenter
August 2003

ACKNOWLEDGEMENTS

I am grateful to everyone who provided encouragement and guidance during my educational process at The University of Tennessee. Specifically, I would like to thank Dr. Ann Fairhurst for serving as the Chairperson of my doctoral committee. I would also like to thank Dr. Nancy Fair, Dr. Laura Jolly, and Dr. Joseph Rentz for mentoring me and for serving on my doctoral committee. In addition, I owe a very special "thank you" to Dr. Robert T. Ladd for his invaluable guidance and assistance with the data analysis component of this dissertation.

I would also like to thank my family and friends. Without their support, I could have never made it through the process of earning my doctorate. In particular, I am grateful to my brother Jeff and his wife Casey for being so supportive throughout the process. I am also indebted to Dr. Marguerite Moore for her invaluable advice and guidance during my doctoral program.

ABSTRACT

The purpose of this study was to investigate the relationships between consumer benefits (i.e., utilitarian and hedonic) and consumer satisfaction, loyalty, and word of mouth communication in a retail store branded product context. The independent variables examined were the utilitarian and hedonic consumer benefits associated with a retail store branded product purchase. The dependent variables in the study included retail store brand satisfaction, attitudinal loyalty, behavioral loyalty (share of purchases), and word of mouth communication.

A non-experimental survey research design was used to collect data from a college student sample at a major university in the southeast. The final sample consisted of 276 students. The survey included 34 items that measured the independent and dependent variables, as well as demographic questions. Confirmatory factor analysis (CFA) and structural equation modeling (SEM) were used to evaluate five hypotheses. The overall fit of the final structural equation model was supported by a comparative fit index (CFI) of 0.941.

Significant positive relationships were found between retail store brand utilitarian/hedonic consumer benefits and satisfaction, satisfaction and attitudinal loyalty, and attitudinal loyalty and word of mouth communication. Non-significant relationships were found between retail store brand satisfaction and word of mouth communication, and between retail store brand satisfaction and share of purchases.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE

INTRODUCTION

Statement of the Problem

In response to the increasingly competitive marketplace, retailers are continually seeking strategies to insulate and increase profit. One strategy that continues to gain popularity involves the development of store brands (Abend, 2000; Corstjens and Lal, 2000; Ailawadi, 2001). Store brands are defined as "the merchandise owned, controlled, and sold exclusively by a retailer, wholesaler, or distributor" (Fitzell, 1982). These brands provide retailers with the opportunity to sell more merchandise at full price, thereby avoiding vicious markdown cycles that erode profit (Fitzell, 1998; Corstjens and Lal, 2000; Ailawadi, 2001). In addition, store brands offer retailers a means to achieve store differentiation, loyalty, and profitability (Fitzell, 1998; Corstjens and Lal, 2000).

For the consumer, a brand is a guarantee of consistency, quality, and value. Webster's Dictionary defines a brand as "a trademark or distinctive name identifying a product or a manufacturer." A brand consists of tangible and intangible products and/or services combined with the promise of product performance backed by the provider. "A brand is more than just a logo. It is the manifestation of the character, personality, and values of the company, product, or service" (Breakstone, 1998, p. 66).

Currently, store brands account for one of every five items sold daily in United States retail establishments. In addition, store brands are estimated to represent a $50 billion segment in the United States retail industry, and best estimates indicate that between 15-25% of the merchandise in stores are store branded products (Private Label Manufacturer's Association, 2001). According to a landmark nationwide study conducted by the Private Label Manufacturer's Association, more

than 90% of consumers polled were familiar with store brands and 83% of consumers reported purchasing store brands on a regular basis.

Several specialty store retailers in the $375 billion United States apparel industry have taken the store branding strategy further by developing "lifestyle" retail store brands to target very specific market segments (Smith, 2000). These retail store brands (i.e., Abercrombie & Fitch, American Eagle Outfitters, The Gap) are differentiated from traditional store brands in that they carry the same name as the retailer selling them. Thus, the retail store brand is the only brand available in the store. This branding strategy has been very successful for retailers such as Abercrombie & Fitch and American Eagle Outfitters, who posted year 2001 earnings increases of 6.7% and 12.5% respectively (Schulz, 2002).

The "store-as-the-brand" strategy is becoming increasingly common among specialty store retailers as a means of developing customer loyalty (Smith, 2000). "By creating a retail store as a brand, the retailer is better able to deliver a perception of selling higher-quality, fashion-forward merchandise" ("New Merchandising," 1999). A successful retail store branding strategy involves creating a store where "everything from package to store entrances convey the same message" (Smith, 2000, p. 19). In turn, it is believed that this branding strategy allows the retailer to establish a market-based relational asset which provides a source of competitive advantage (Srivastava, Shervani, and Fahey, 1998).

"The central thrust of the marketing activities of a firm is often viewed in terms of development, maintenance, or enhancement of customers' loyalty toward its products or services" (Dick and Basu, 1994, p. 99). It is believed that store brand loyalty likely results in increased profit for the retailer because consumers purchase a higher percentage of merchandise from the retailer (Corstjens and Lal, 2000; Ailawadi, 2001). The success of the store brand loyalty strategy is

2

dependent upon several factors, the most critical of which is the company's (brand's) ability to fulfill its promises to the consumer. The continued fulfillment of promises usually leads to a long-term, profitable relationship between the retailer and the consumer. The retail store brand's promises are related to the benefits (i.e., utilitarian and hedonic) that the brand offers to consumers. These benefits are derived by the consumer with each purchase of the brand.

In the literature on store loyalty there are several examples of conceptual and empirical development of the consumer benefit/loyalty framework (Macintosh and Lockshin, 1997; Reynolds and Beatty, 1999; Reynolds and Arnold, 2000; DeWulf, Odekerken-Schroder, and Iacobucci, 2001). Recently, researchers have begun to investigate aspects of consumer benefits on salesperson, store, and company loyalty. It has been demonstrated that consumer benefits (i.e., utilitarian and hedonic) are positively associated with salesperson, store and company loyalty (Macintosh and Lockshin, 1997; Reynolds and Beatty, 1999).

This emerging research stream has been very conceptual in nature, and the empirical studies identified in the literature have been focused on consumer benefits derived from interactions between the consumer and the salesperson, the consumer and the store, and/or the consumer and the company (Macintosh and Lockshin, 1997; Reynolds and Beatty, 1999; Reynolds and Arnold, 2000; DeWulf et al., 2001). Several researchers in the field have identified consumer brand selection and store brand loyalty as under-researched perspectives in the discipline (Dawson, 2000; Parasuraman and Grewal, 2000; Peterson and Balasubramanian, 2002). A very significant element that has been ignored in this developing research stream is the effect of consumer benefits on satisfaction and loyalty at the brand level. More specifically, the effect of consumer benefits on satisfaction with and loyalty to retail store brands has been completely ignored. Considering the growing significance of retail store brands in the industry, it is important to

3

understand the determinants of retail store brand satisfaction and loyalty, including the benefits derived by the consumer.

The current study seeks to understand the effect of consumer benefits (i.e., utilitarian and hedonic) derived from the experience of purchasing retail store branded products on consumer satisfaction and loyalty. By developing a conceptual framework for this phenomenon and subsequently testing the proposed hypotheses, this research will offer a better understanding of some of the determinants of retail store brand satisfaction and loyalty. Ultimately, it is hoped that the results of this study will provide future research directions for academics and prescriptions for practitioners who choose to utilize a retail store branding strategy (in theory and in practice).

Purpose of the Study

Several researchers have begun to study the effect of consumer benefits on consumer loyalty at various levels including consumer/salesperson, consumer/store, and consumer/company loyalty (Macintosh and Lockshin, 1997; Reynolds and Beatty, 1999; Reynolds and Arnold, 2000; DeWulf et al., 2001). These researchers specifically call for additional research to be conducted in the consumer benefits area. Other researchers call for additional research in the areas of consumer brand selection and store brand loyalty (Dawson, 2000; Parasuraman and Grewal, 2000; Peterson and Balasubramanian, 2002). Therefore, this research will investigate whether the utilitarian and hedonic benefits that consumers derive from the experience of purchasing retail store branded products are associated with satisfaction and loyalty. Further, this research will focus on the apparel context, where retail store branding strategies have recently become an important marketing tool ("Another Successful Year," 2000).

4

The majority of conceptual and empirical research on consumer benefits in the retail setting has focused on consumer/salesperson, consumer/store, and consumer/company interactions. In contrast, examinations of the benefits consumers derive from interactions with store brands (and specifically retail store brands) and the outcomes of those benefits have received no empirical attention in the academic literature. Therefore, the current study will focus on a previously uninvestigated area – the benefits of retail store branded product purchase.

Conceptual Framework

Reynolds and Beatty (1999) developed a model that serves as an appropriate guide in developing the conceptual framework for the current study. The authors found empirical support for their *Overall Model of Relationship Benefits and Consequences*, which links the attitudinal and behavioral components of interactions between consumers and salespeople, consumers and stores, and consumers and companies. Specifically, the model found positive relationships between consumer benefits and satisfaction, satisfaction and word of mouth communication, and satisfaction and loyalty. The Reynolds and Beatty (1999) model is included in Appendix 1.

This research will use a model adapted in part from the Reynolds and Beatty (1999) model. The adapted model, shown in Figure 1, focuses on the effect of consumer benefits on the development of retail store brand satisfaction and loyalty. The following paragraph discusses how the framework applies to the current study.

The proposed model (Figure 1) focuses on the development of retail store brand satisfaction and loyalty based on the consumer benefits derived from the purchase experience. The consumer derives benefits (i.e., utilitarian and hedonic) from the purchase experience associated with the retail store branded product. These benefits are believed to lead to the

5
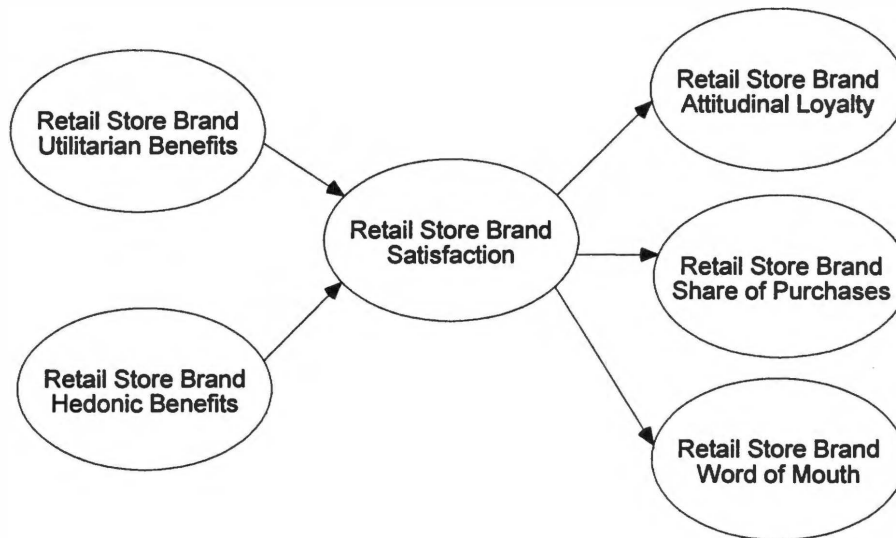
Figure 1: Proposed Theoretical Model

development of feelings and attitudes (i.e., satisfaction) toward the retail store brand. In turn, retail store brand satisfaction affects attitudinal and behavioral loyalty toward the store brand. In addition, the model proposes that retail store brand satisfaction leads to word of mouth communication about the retail store brand.

Potential Contributions

The primary contribution of the current study is to conduct an empirical examination of the effect of consumer benefits derived from the experience of purchasing retail store branded products on specific attitudinal and behavioral outcomes (i.e., satisfaction, loyalty). The findings of this study should benefit both practitioners and academics by adding to our knowledge base to help us understand, explain, and possibly predict relationships between these constructs. It is hoped that the current research will answer the following question: *Can the consumer benefits*

6

(i.e., utilitarian and hedonic) derived from the experience of purchasing retail store branded products be linked to retail store brand satisfaction and loyalty?

Dissertation Organization

This dissertation is organized in a five chapter format. Chapter One gives an overview of the store branding phenomenon and provides justification for the study. In addition, Chapter One explains the conceptual framework for the study, formalizes the statement of purpose, and discusses the potential contributions of the study.

Chapter Two provides a review of the relevant literature, examining each construct in the conceptual framework. Chapter Three provides a discussion of the research methodology used in the study. This discussion includes an explanation of the research design, measurement, pretest results, sample selection, product selection, store selection, and data analysis procedures used.

Chapter Four explains the data analysis undertaken to assess the results of the study. An evaluation of the final sample data is provided, and reliability and validity is confirmed for each construct included in the conceptual framework. The chapter also includes the hypotheses and the structural equation model.

Chapter Five includes a discussion of the results of the hypothesis tests. In addition, this chapter examines and assesses the theoretical and managerial contributions and limitations of the study. Chapter Five concludes with a discussion of suggested future research directions.

CHAPTER TWO

REVIEW OF THE LITERATURE

This chapter is divided into five parts. Part one examines the store brand phenomenon, with particular attention to retail store brand development. Part two discusses the concept of benefit segmentation and provides a discussion of the benefits consumers derive from the purchase of a retail store branded product. Part three presents the literature on consumer satisfaction, and part four provides a review of the literature on consumer loyalty. Part five examines word of mouth communication. The chapter concludes with a summary of the review of literature.

Branding in the Retail Setting

The Development of Store Brands

Fitzell (1998, p. 3) stated that "store brands are defined by their ownership and controlled distribution, where a retailer, wholesaler, cooperative, buying group, broker, marketer, exporter/importer, food service distributor or restaurant/institutional operator owns and/or controls the label or brand identity." Store branded products can be found across a majority of product categories (Fitzell, 1998). The development of the first store brands originated in the food and drug retail sector during the 19th century. Entrepreneurial merchants desired to offer consumers more value for their money, and store brands presented an opportunity to accomplish the task (Fitzell, 1998).

However, store branding in the 19th century was not limited to the food and drug segments. In 1818, Henry Sands Brooks opened a shop in New York City to sell his ready-made clothing under

the Brooks Brothers label. Soon after, a number of other apparel store brands began to appear in the United States marketplace (i.e., Tiffany & Company in 1838, R.H. Macy in 1858).

During the late 19th century, numerous brand names were thrust into the marketplace by retail merchants, wholesale grocers, mail-order houses, and manufacturers. Manufacturers used premium giveaways, print advertising, innovative product development techniques, and attractive packaging to win control of the marketplace (Fitzell, 1998). As the 20th century began, consumers were becoming increasingly sensitive to heavy brand advertising found in newspapers, magazines, and on signs (Fitzell, 1998). Manufacturers' brands were highly advertised, whereas retailers were more secretive about their store brands. Therefore, manufacturers' brands established a more dominant position than that of store brands in the marketplace.

By the middle of the 20th century, the private nature of store brands began to fade as retailers began to advertise their store brands more frequently. The 1970s brought forth generic products to the arena, followed by a surge of retailers entering the store brand marketplace in the 1980s and 1990s. Although this rush of store brand development did not turn out to be as profitable as many retailers expected, the 1990s provided them with the opportunity to gain the direct sourcing expertise required to make their brands more competitive with manufacturers' brands (Abend, 2000). Today, many retailers are able to develop concepts and plan their store branding efforts in a more strategic manner because they have acquired extensive sourcing and production expertise (Abend, 2000). In addition, many retailers are working toward vertical integration strategies which make the production of store brands less expensive and provide increased gross margin (Abend, 2000).

In contrast to store brands, retail store brands are a more distinctive concept. Retail store brands represent a situation where the retail store brand is the *only* brand carried by the retailer.

10

Also, the particular retailer who is responsible for developing the retail store brand is the *only* retailer selling the brand. Examples of popular retail store brands include Abercrombie & Fitch, American Eagle Outfitters, and The Gap. Smith (2000) recognized that the "store-as-the-brand" strategy is becoming a commonly-used method for specialty store retailers to develop customer loyalty.

The "store as the brand" strategy is attractive to retailers for several reasons, with differentiation being the key theme throughout. The consumer associates an element of exclusivity to the product line because the unique shopping experience and merchandise is only available at a particular retail store. When shopping in other retail formats (i.e., department stores) consumers see the same national brands and labels from store to store. Again, it is believed that this element of exclusivity contributes to customer loyalty (Smith, 2000).

In addition, the "store as the brand" strategy allows the retailer to have more control over their pricing strategy. For example, a retailer who only carries national brands faces price competition from all other retailers selling the same national brands. A retailer who enjoys exclusivity in the form of retail store branded products is able to somewhat escape this competitive parity and does not face such stiff price competition. It has also been argued that retail store brands enjoy an advantage over national brands because the consumer perceives a better value where there is only one markup involved (Smith, 2000).

Store Brand/Retail Store Brand Research

There are many streams of well developed research related to branding, highlighting topics such as brand development, brand management, brand equity, brand promotion, and brand extension. In contrast, the store branding research stream has received considerably less

conceptual and empirical attention, but continues to grow in popularity (Ailawadi, 2001). Popular topics for investigation include the balance of power between manufacturers and retailers, the effect of store brands on building and maintaining store loyalty, and the factors affecting the success of store brands as compared to national brands (Batra and Sinha, 2000). This review of literature located no conceptual or empirical studies specifically focused on retailers using a "store as the brand" strategy.

Corstjens and Lal (2000) used game theoretic analysis to examine the role of a store brand in building store loyalty. The researchers characterized a marketplace where consumers were sensitive to product quality, and where consumer brand choice in low-involvement packaged goods categories was dictated by intertia (habit). The results of the study showed that quality store brands can be used by retailers to differentiate themselves. In addition, the findings suggest that quality store brands can offer retailers an advantage over national brands in the form of store loyalty. Perhaps the most interesting finding and certainly the most robust contribution to the literature was that of the complimentary nature of national and store brands. The study showed that when both national and store brands are offered by a retailer, the quality store brand is only profitable for the retailer when a significant percentage of shoppers purchases the national brand. Therefore, store brands benefit the retailer in the form of differentiation and loyalty whereas national brands benefit the retailer in the form of price increases and profitability.

Consumer-related factors and their effect on store brands have received very little attention in the academic literature. Instead, most researchers have been concerned with the manufacturer's and retailer's perspectives. The majority of consumer-focused research has been concerned with developing a typology of consumers based on their propensity to purchase store brands

(Richardson, Jain, and Dick, 1996; Sethuraman and Cole, 1997; Ailawadi, Neslin, and Gedenk, 2001).

Ailawadi, Neslin, and Gedenk (2001) identified demographic and psychographic traits that affect consumers' usage of store brand and national brand promotions. The study found that demographics (i.e. income, employment status, children in the household, type of residence, age, sex, education) do not directly affect usage of store brand and national brand promotions, but demographics do affect psychographic characteristics (i.e., savings, product quality, entertainment, exploration, self-expression). In turn, these psychographic characteristics have a direct effect on usage of store brand and national brand promotions. In addition, the authors were able to identify various psychographic characteristics that lead to consumers' usage of store brands. Specifically, the study found that the use of store brands is correlated with traits related to economic benefits and costs (i.e., price, quality). In addition, the use of out-of-store promotions is correlated with utilitarian and hedonic benefits.

A significant outcome of the Ailawadi et al. study (2001) was a typology of consumers based on their usage of store brands, national brands, and promotions. Four distinct customer segments were identified. Deal-focused consumers were identified as heavy users of promotions, regardless of product type (store brand or national brand). Store brand-focused customers were identified as those who used store brands most frequently. Additionally, the study identified a consumer segment consisting of users of both deal and store brands as well as a segment consisting of non-users of both deals and store brands.

Batra and Sinha (2000) examined the effect of perceived risk on purchasing preferences for national brands versus store brands across twelve product categories. Prior to the Batra and Sinha (2000) study, consumer-level factors had not been examined as an explanation for cross-category

differences in the market share of store branded products. In addition, the effect of consumer-level factors on market share differences across markets and retailers had not been examined prior to the Batra and Sinha (2000) study.

The study found that when consumers' perceived risk was lower with regard to making a mistake in the choice of a brand, store brand purchases increased. When a product category has more "search" than "experience" characteristics, sales of store brands also increased. This would indicate that national brands have an advantage over store brands in terms of the purchase experience as perceived by the consumer.

Consumer Benefits

Benefit Segmentation

Benefit segmentation is a widely recognized and accepted marketing strategy which holds that consumers select brands, products, and services in consideration of the benefits they desire to receive (Haley, 1968). Previous to the development of benefit segmentation, Twedt's (1964) "heavy half" theory of volume segmentation prevailed. The "heavy half" theory demonstrated that normally, one half of the consumers account for eighty percent of the consumption of a product. Haley (1968) disagreed with volume segmentation because it assumed that heavy users are available to the brand in question and all users are seeking a similar benefit or benefit set.

Benefit segmentation is a useful tool for categorizing consumers because it is based on causal, rather than descriptive factors. Benefits sought by consumers determine their behavior more accurately than descriptive factors such as demographics and personality (Haley, 1968). Benefit segmentation probes into users' buying motives with the primary benefit often featured and used

for segment identification purposes. It has been suggested that benefit segmentation probes into consumers' buying purposes and can be directly linked to consumer behavior (Weinstein, 1987).

Haley's (1968) groundbreaking benefit segmentation study examined consumers of toothpaste, classifying the consumers according to patterns of benefits sought. Four distinct categories of benefits emerged based on (1) decay prevention, (2) brightness of teeth, (3) flavor and appearance of the product, and (4) price. Additional information such as demographics, type of brands favored, and behavioral, personality, and lifestyle characteristics were used in typology formation once the segments were established. As a result of this study, Haley was able to draw several implications for marketing strategies based on benefit segmentation including copy direction and media choices, packaging implications, physical changes in the product, point-of-purchase implications, and sales promotion implications. More specifically, Haley (1968) posited that marketers who adopt a benefit segmentation strategy will have a distinct competitive edge and that an understanding of benefit segments which exist within a market can be used as an advantage when competitors introduce new products.

In his original article on benefit segmentation, Haley (1968) proposed six groups of consumers based on his previous benefit segmentation studies:

The Status Seeker	a group which is very much concerned with the prestige of the brands purchased.
The Swinger	a group which tries to be modern and up-to-date in all of its activities. Brand choices reflect this orientation.
The Conservative	a group which prefers to stick with large successful companies and popular brands.

The Rational Man	a group which looks for benefits such as economy, value, durability, etc...
The Inner-directed Man	a group which is especially concerned with self-concept. Members consider themselves to have a sense of humor, to be independent, and to be honest.
The Hedonist	a group which is primarily concerned with sensory benefits.

Benefit segmentation analysis is very effective in allowing the marketer to gain insight into market situations. One advantage of using this basis for segmentation is that it is appropriate to both consumer and industrial markets. Also, benefit segments are based on casual factors rather than descriptive factors. Since benefit segmentation helps the marketer determine *why* consumers purchase based on their purposes and product desires, a direct (cause and effect) relationship can be shown to exist between motivations and purchasing behavior.

Benefit segmentation is also a very flexible method. Segments can be identified through a variety of techniques, ranging from simple tabulations of opinions to advanced multivariate analysis. Segments can be customized and named appropriately. Finally, benefit segmentation can be used in conjunction with other segmentation bases including product/firm loyalty, psychographics, perceptions, preferences, purchase intentions, and purchase situations/occasions (Weinstein, 1987).

Wind (1978) stated that some variables are more effective than others as a basis for segmentation, suggesting that benefits sought are superior to product preferences, price sensitivity, and store patronage for the general understanding of a market and for advertising decisions. Young, Ott, and Feigin (1978) believe that benefit segmentation is the most meaningful

among types of behavioral segmentation bases from a marketing standpoint. The authors argue that benefit segmentation is able to most directly affect and facilitate product planning, positioning, and advertising communication.

Consumer Benefits and the Purchase Experience

Utilitarian and hedonic benefits derived by consumers have been a popular topic of study within several disciplines including economics, psychology, and sociology. In the context of the current study, utilitarian benefits refer to the consumer's evaluation of whether the outcome of a purchase experience was successful in terms of satisfying the need that stimulated the purchase experience. In other words, the consumer's perception of utilitarian benefits is dependent upon whether the need that stimulated the purchase was satisfied. Consumers seek utilitarian benefits in a task-oriented, rational manner (Batra and Ahtola, 1990; Blackwell, Miniard, and Engel, 2000). Holbrook and Hirschman (1982) classified this behavior as shopping with a work mentality. Thus, utilitarian benefits are tied to the information-processing paradigm within consumer behavior research.

In contrast to utilitarian benefits, hedonic benefits derived from the purchase experience reflect the emotional or psychological worth of the purchase (Bellenger, Steinberg, and Stanton, 1976). Thus, sources of hedonic benefits could include the joy and/or the excitement of the purchase experience, or the escape from everyday activities that is provided by the purchase experience. Therefore, hedonic benefits are more personal and subjective than utilitarian benefits and are often the result of fun and playfulness (Holbrook and Hirschman, 1982). Whereas functional benefits are tied to the information-processing paradigm, hedonic benefits represent the experiential paradigm within consumer behavior research (Engel, Blackwell and Miniard, 1993).

17

Consumer Benefits Research

There are three major streams of research related to consumer benefits. One stream has focused on the benefits derived from the consumer's use of a product and/or service. Another stream has focused on consumer benefits derived from the purchase and/or use of a product and/or service in a relational context. The final stream, which has focused on benefits derived from the consumer's purchase experience, most clearly matches the research question posed by the current study but is the least well-developed conceptually and empirically.

Young and Feigen (1975) conceptualized the "grey benefit chain," which represents how a product is perceived by the consumer. The authors found that consumers seek functional, practical, and/or emotional benefits from various products. In a follow-up study, Haley (1985) suggested that benefits can be categorized into three general types: (1) what the product is, (2) what the product does, and (3) how the product makes the consumer feel.

A study conducted by Kelley, Strother, Blouin, and Crouch (1986) applied the concept of benefit segmentation to generic categories of fashion goods. The purpose of the study was to determine whether clusters of consumers could be established based on the evaluation of aesthetic and performance characteristics and to determine whether the demographic profiles within the clusters were different. Cluster analysis revealed four groups which differed in terms of age, social class, family composition, and family income.

Similarly, Green, Wind, and Jain (1972) examined benefit bundle analysis which involved a market segment's evaluation of complete benefit bundles or collections. Based on their analysis of attitudinal responses regarding characteristics of the product class and direct questioning of the respondent regarding the importance of various product benefits when choosing a brand, the

authors suggested that benefit bundle analysis provides an illustrative technique in studying the components of overall product-service utility.

Gwinner, Gremler, and Bitner (1998) conducted research to identify the benefits that consumers receive from the purchase and use of services in a relational context. The study found that consumers receive four types of benefits: social benefits, psychological, economic, and customization. Social benefits were conceptualized as the interpersonal communication and interactions that occur between the salesperson and the customer, and psychological benefits were conceptualized as the feeling of comfort or security in having developed a relationship with a certain provider. Economic benefits included discounts or price breaks, and customization benefits consisted of the provider's ability to tailor the service to meet the specific needs of a certain customer. Significant associations were found to exist between the benefits consumers received and important outcomes (i.e., satisfaction, loyalty).

Beatty, Mayer, Coleman, Reynolds, and Lee (1996) undertook similar research and found that consumer benefits could be classified in two categories: functional and social. These findings echoed those of previous studies (Dwyer, Schurr, and Oh, 1987; Berry, 1995; Gwinner et al., 1998). Reynolds and Beatty (1999) found empirical support for the effect of consumer benefits on loyalty to the salesperson, store, and company. Specifically, the study found that consumer benefits are positively associated with satisfaction, loyalty, word of mouth, and share of purchases. Macintosh and Lockshin (1997) found similar results in an examination of the effect of consumer benefits on loyalty to the salesperson and to the store.

Batra and Ahtola (1990) and Spangenberg, Voss, and Crowley (1997) attempted to develop a scale for measuring the hedonic and utilitarian components of attitudes. Both groups of authors chose specific product categories and specific brands within each of those categories in order to

examine hedonic and utilitarian dimensions of products and services. Both scales appeared to be somewhat reliable for measuring consumer attitudes with respect to specific product categories and classes (i.e., personal computers, potato chips, vacation resorts, cooking oil, dish detergent). The major limitation of these scales appears to be their ability to be transferred across product categories and classes.

Babin, Darden, and Griffin (1994) conducted a study to develop a scale to measure hedonic and utilitarian shopping benefits. Based on the accepted methods for scale development in consumer research (Churchill, 1979), the authors developed a set of items that attempted to capture the dimensions of the two types of benefits. Focus groups were used to assist in establishing the content of each dimension and to validate the scale psychometrically and theoretically. Confirmatory factor analysis was then used to finalize a fifteen item scale which exhibited reliability and construct validity across differing samples and situations.

Consumer Satisfaction

Giese and Cate (1999, p. 2) conducted an exhaustive review of the existing literature on consumer satisfaction and outlined the term as follows: "satisfaction is comprised of three basic components, a *response* pertaining to a particular *focus* determined at a particular *time*." Thus, consumer satisfaction is a response (cognitive or affective) that pertains to a particular focus (i.e., a purchase experience and/or the associated product) and occurs at a certain time (i.e., post-purchase, post-consumption). This effort was an important step toward developing a generally accepted definition of satisfaction that will enable researchers to develop appropriate measures and compare results across various types of satisfaction studies.

Singh (1990) acknowledged various objects about which a consumer may make satisfaction judgments. In other words, the consumer's expectations are different for a product, brand, service, or service provider. For example, Westbrook (1981) found support for the idea that consumers can derive satisfaction from a purchase experience separately from the satisfaction they may derive from the actual product and/or service purchased.

The generally accepted and most widely applied method for conceptualizing consumer satisfaction is Oliver's Expectancy-Disconfirmation model (1980). The model contends that attitudes about a purchase experience, product, or service lead form expectations in the mind of the consumer. After the consumer purchases and/or uses the product or service, they evaluate the purchase experience and the performance of the product or service. The outcome of this evaluation is an attitude – a decision to be satisfied or dissatisfied. If the evaluation and subsequent attitude confirms the consumer's expectations of the purchase experience, product, or service, a state of satisfaction occurs. This state of satisfaction leads to a positive attitude toward the purchase experience, product, and/or service, and can positively influence future purchase intentions. However, if the evaluation and subsequent attitude disconfirms the consumer's expectations, a state of dissatisfaction occurs; thus, future purchase intentions could be negatively affected.

The consumer's expectations are determined by several factors, with prior experience being the most formative. In addition to the consumer's own prior experience, the observed experience of other consumers affects expectations. Finally, word of mouth and advertising effects lead to the development of consumer expectations (Nagel and Cillers, 1990).

Oliver (1987) posited that consumers desire to be satisfied and identified three reasons why consumers seek satisfaction. First, satisfaction is a desirable end state. Therefore, it is a

reinforcing, pleasurable experience in itself. Secondly, satisfaction eliminates the need to take redress action or to suffer the consequences of a poor decision. Lastly, satisfaction reaffirms the consumer's decision-making ability.

Further, Oliver (1989) proposed five modes of satisfaction including contentment, pleasure, relief, novelty, and surprise. Contentment was conceptualized as a state of basic acceptance or tolerance. In contrast, pleasure was described as a more positive reinforcement state resulting in happiness. The relief state involved a situation where an undesirable outcome was removed and replaced with a less aversive one. Novelty was conceptualized as a state in which the unexpected outcome yielded heightened interest or excitement. Finally, surprise described a state where delight occurred based on the purchase experience, product, or service exceeding the consumer's initial expectations.

A major debate among researchers involves whether satisfaction should be viewed as a process or an outcome (Yi, 1990). Several researchers have suggested that satisfaction should be viewed as an evaluation process or a response to an evaluation process (Howard and Sheth, 1969; Hunt, 1977; Oliver, 1981; Oliver 1987; Fornell 1992). Oliver (1997) stated that consumers want to be satisfied. Consumers think of satisfaction as a goal to be obtained from the purchase and use of products and services; therefore, a satisfactory purchase represents an achievement. Therefore, the current research will view satisfaction as a response to an evaluation process; more specifically, satisfaction will be viewed as the result of the consumer's evaluation of the benefits derived from a purchase experience related to a retail store branded product.

Consumer Satisfaction Research

Although multiple definitions and conceptualizations of the consumer satisfaction construct exist, the research stream is robust. Research has particularly increased since consumer satisfaction was first linked with overall firm performance (Anderson, Fornell, and Lehman, 1994). The majority of consumer satisfaction research has been focused on the product level, although research at other levels has been undertaken (i.e., brand, store, salesperson). The research streams related to the brand, store, and salesperson levels is remarkably less developed conceptually and empirically.

As previously discussed, the prominent paradigm for studying satisfaction has been the comparison standards (CS) paradigm, which holds that consumers have preconceived standards about a product's performance. Performance is measured against these preconceived standards, and confirmation or disconfirmation perceptions are developed. Finally, these perceptions lead the consumer to make satisfaction judgments. Some researchers argue that even though the CS paradigm has a long and celebrated history, relying on a single paradigm limits our understanding of the satisfaction phenomenon (Fournier and Mick, 1999; Fournier and Yao, 1997; Mick and Buhl, 1992; Arnould and Price, 1993).

One popular stream of consumer satisfaction research involves the development of measures for the construct. Of particular importance to the current study is Lee and Wirtz's (2000) empirical study on the quality and context-specific applicability of commonly used customer satisfaction measures. Nine of the most commonly used customer satisfaction measures were tested for their cognitive and affective (utilitarian and hedonic) content, with all nine measures showing the ability to capture both dimensions of the construct. In addition, the study showed that measures with good

reliability and low error variances were equally applicable for measuring the construct independent of the nature of the product or brand benefits (i.e., utilitarian or hedonic).

It is generally accepted that loyalty and repeat purchase behavior are dependent on satisfaction. Sividas and Baker-Prewitt (2000) demonstrated that satisfaction influenced relative attitude, repurchase, and recommendation but with no direct effect on store loyalty. However, the same study found that fostering favorable relative attitude and getting customers to recommend the product or service is key to the development of loyalty.

Reynolds and Beatty (1999) found that the consumer's perception of benefits (i.e., functional/utilitarian and social) positively affects satisfaction with the salesperson. In turn, satisfaction with the salesperson is positively related to loyalty to the salesperson, salesperson word of mouth, and share of purchases. Another interesting finding of Reynolds and Beatty (1999) is that effects related to salesperson satisfaction, loyalty, and word of mouth appear to spill over and affect company satisfaction, loyalty, and word of mouth. This is one of the few multi-level studies in the extant literature.

In other studies, consumer satisfaction has been shown to be a good predictor of future purchase behavior (Newman and Werbel, 1973; LaBarbera and Mazursky, 1983; Kasper, 1988). Hence, the construct has also been linked to profitability and loyalty (LaBarbera and Mazursky, 1983; Fornell, 1992; Anderson, Fornell, and Lehmann, 1994; Hallowell, 1996). Van der Wiele, Boselie, and Hesselink (2002) conducted a study that analyzed empirical data on consumer satisfaction in relation to organizational performance data. The study found support for the effect of consumer satisfaction on business performance. Based on this evidence, this study hypothesizes that:

H₁: The consumer's perception of utilitarian benefits is positively associated with the consumer's satisfaction with the retail store branded product purchase experience.

H₂: The consumer's perception of hedonic benefits is positively associated with the consumer's satisfaction with the retail store branded product purchase experience.

Consumer Loyalty

"The success of a brand in the long term is not based on the number of consumers that buy it once, but on the number of consumers who become regular buyers of the brand" (Jacoby and Chestnut, 1978, p. 1). This statement exemplifies the importance of developing consumer loyalty to retail store brands. Samli (1989) posited that consumer loyalty can serve as a distinctive advantage for firms in a highly competitive industry such as retailing.

Two approaches have been employed in the study of loyalty, including the stochastic approach and the deterministic approach. The deterministic approach holds that loyalty should be viewed as an attitude; therefore, the researcher can manipulate numerous factors that lead to loyalty (Jacoby, 1971; Jarvis and Wilcox, 1976). Deterministic research examines the psychological effect of loyalty, ignoring the outcomes of loyalty (i.e., purchase behavior).

The majority of researchers have defined and conceptualized loyalty based on the behavioral dimension, concentrating on purchase amount and frequency. In turn, most researchers have measured behavioral loyalty via two avenues: word of mouth and share of purchases. The major

disadvantage to defining loyalty in terms of behavior is that this method does not offer insight about the underlying cognitive and affective factors that affect loyalty behaviors.

Dick and Basu (1994) define loyalty as the relationship between the relative attitude toward an entity (brand/product/service/store/vendor) and patronage behavior. In addition, researchers have noted the importance of distinguishing between true (intentional) loyalty and repeat purchase behavior (Jacoby and Kyner, 1973; Jarvis and Wilcox, 1977). The basis of this distinction is that true loyalty involves a psychological bond to the seller and requires a high degree of customer satisfaction and commitment, whereas repeat purchase behavior does not involve the psychological commitment. Repeat purchase behavior generally occurs because of time/energy costs, perceived risk, perceived absence of choice, probability or bias, temporary selling incentives, or legal & corporate policy constraints (Jarvis and Wilcox, 1976).

Dick and Basu (1994) built upon their concept of the relationship of relative attitude with repeat patronage by cross-classifying four conditions of loyalty. A low relative attitude combined with low repeat patronage indicates an absence of loyalty. Spurious loyalty consists of a low relative attitude combined with high repeat patronage, indicating the possibility of non-attitudinal influences on the consumer's behavior. High relative attitude with low repeat patronage establishes latent loyalty, where it is assumed that situational effects and market conditions are equally as strong as attitudinal effects on the consumer's behavior. The final and most desirable of the four conditions is loyalty, where there is a positive relationship between relative attitude and patronage behavior.

Similarly, Yim and Kannan (1999) developed a modeling framework of consumer behavioral loyalty that is useful for segmentation. The first segment of consumers identified by the model is the hard-core loyalty group. This group exclusively makes repeat purchases of one product alternative. The second consumer segment identified is the reinforcing loyalty group. In contrast to

26

the hard-core loyalty group, this segment predominantly makes repeat purchases of one or more product alternatives.

The stochastic approach to the study of consumer loyalty contends that loyalty is a behavior because the individual repeatedly acts by repurchasing the same product or brand. This approach also assumes that it is more difficult for the researcher to manipulate factors that lead to loyalty because of the complexity of the loyalty construct. Although Jacoby (1971) clearly holds that loyalty should be studied as a behavior, the same research also contends that there is an attitudinal component present within the loyalty process (i.e., evaluative psychological processes).

Dick and Basu (1994) also described several important cognitive, affective, and conative antecedents to consumer loyalty. Cognitive antecedents identified by the authors include the accessibility and ease with which an attitude can be retrieved from the consumer's memory, the attitudinal confidence (level of certainty) a consumer has about their attitude or evaluation, the centrality of the relationship between the consumer's attitude and the consumer's value system, and the clarity of the consumer's attitude or evaluation. The affective antecedents included emotions, moods, primary affect (independent of cognitions), and satisfaction. Finally, important conative antecedents to the development of consumer loyalty include switching costs, sunk costs, and expectations.

In an attempt to achieve an optimal depiction of the loyalty construct, this study will examine both attitudinal and behavioral loyalty. The attitudinal loyalty construct (called "retail store brand attitudinal loyalty" in this study) will be captured using an adapted Reynolds and Beatty's (1999) measure. Behavioral loyalty will be conceptualized and measured using Reynolds and Beatty's (1999) share of purchase measure, as well as and adapted version of Harrison-Walker's (2001) word of mouth communication measure.

Consumer Loyalty Research

Most of the extant literature on consumer loyalty focuses on measurement of the construct (e.g., Jacoby, 1971) and segmentation of consumers based on propensity for loyalty (e.g., Rothberg, 1971). Brand loyalty, specifically, is characterized as a construct that has not yet come into maturity because there exists no one, generally accepted conceptualization and few valid measures with the ability to examine both the attitudinal and behavioral dimensions of the construct. It seems that Dick and Basu's (1994) incorporation of the relative attitude dimension has at least advanced the development of the construct conceptually.

It is generally believed that the ultimate goal of customer satisfaction should be loyalty (Ziethaml, Berry, and Parasuraman, 1996; Fitzell, 1998; Reynolds and Beatty, 1999; Sivadas and Baker-Prewitt, 2000). Highly satisfied customers are likely to make future purchases (Ziethaml et al., 1996). Several researchers have argued that high levels of customer satisfaction will result in customer loyalty and will insulate companies from competitors by making consumers less receptive to the marketing efforts of competitors (Fornell et al., 1996; Fitzell, 1998). Other researchers have theorized that customer satisfaction, customer loyalty, and profitability are related (Heskett, Sasser, and Hart, 1990; Reicheld and Sasser, 1990; Zeithaml, Parasuraman, and Berry, 1990; Anderson and Fornell, 1994; Gummesson, 1993; Heskett, Jones, Loveman, Sasser, and Schlesinger, 1994; Storbacka, Strandvik, and Gronroos, 1994; Rust, Zahorik, and Keiningham, 1995; Schneider and Bowen, 1995; and Hallowell, 1996). Hallowell (1996) conducted empirical research and found that satisfaction is related to customer loyalty, and that customer loyalty is related to profitability.

Sivadas and Baker-Prewitt (2000) examined the effect of consumer satisfaction on store loyalty using a telephone survey, incorporating the relative attitude concept (Dick and Basu, 1994). The results of the study showed that consumer satisfaction influences relative attitude, repurchase, and

recommendation. However, the findings indicated that consumer satisfaction has no direct affect on store loyalty. Therefore, persuading consumers to develop a favorable relative attitude and recommend the product or service fosters store loyalty.

Reynolds and Arnold (2000) conducted a study of relationship customers in an upscale retail context in order to examine the role of the salesperson in developing store loyalty. The study found that satisfaction has a positive effect on loyalty to the salesperson. In turn, satisfaction with the salesperson affects store loyalty and word of mouth. Another interesting finding of the study was the positive relationship between store loyalty and competitive resistance. Based on this evidence, this study hypothesizes that:

H_3:   The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's attitudinal loyalty to the retail store brand.

H_4:   The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's share of purchases of the retail store brand.

Word of Mouth Communication

"Informal conversation is probably the oldest mechanism by which opinions on products and brands are developed, expressed, and spread" (Arndt, 1967, p. 1). The study of social networks began in sociology, but has become very relevant in consumer behavior research. The research stream identifying referral networks, or consumer word of mouth networks, offers consumer behavior researchers critical information about the effects of social influences on consumer

decision making. Research has shown that word of mouth communication is a part of that which shapes consumer attitudes and behavioral tendencies (Brown and Reingen, 1987; Mangold, Miller, and Brockway, 1999).

The consumer word of mouth network is a subset of a larger social network, on which it is functionally dependent. Examples of word of mouth networks include neighborhoods, places of business, and social organizations. These networks generally operate independently, as small clusters. Within the networks, some consumers are regarded as opinion leaders because they are highly influential on the decisions of other members of the network.

The nature of consumer word of mouth networks exhibit several important characteristics. First, communication between consumers is assumed to have a high source of credibility, because most of the communication occurs between friends and family and is facilitated in a trustworthy and supportive manner. Another important characteristic is that consumer word of mouth networks involve a two-way communication flow. In contrast to forms of one-way communication (i.e., advertising, promotion), word of mouth networks allow the consumer to ask questions and obtain clarification. This makes the word of mouth process more conducive to consumer learning, which can lead to better brand recall. Perhaps the most important characteristic, and advantage, of word of mouth communication is the fact that consumers are allowed to live vicariously through others. Consumers can gain a wealth of information about a brand simply by communicating with a friend, family member, or acquaintance who has already tried the brand.

Word of Mouth Research

There are three major streams of research related to word of mouth communication and behavior among consumers. First, several researchers have examined the frequency and types of

30

word of mouth behavior (e.g., Feick, Highe, and Price, 1987). Secondly, some researchers have investigated the effects of word of mouth behavior on product evaluation (e.g., Giese and Spangenberg, 1997). Finally, other researchers have been concerned with the impact of word of mouth information on social relationships (e.g., Brown and Reingen, 1987).

Some of the first and most important findings related to the value of word of mouth communication in the marketplace were derived from a study by Katz and Lazarsfeld (1955). In a study to examine influential forms of advertising on consumer brand switching behavior, the researchers found that word of mouth is seven times more effective than newspaper and magazine advertising, four times more effective than personal selling, and twice as effective as radio advertising. Day (1971) followed up on the results of Katz and Lazarsfeld fifteen years later and showed that word of mouth communication was at least nine times more effective than advertising in converting unfavorable or neutral consumer predispositions into positive attitudes. Based on these and other similar results, researchers have argued that word of mouth communication is the most important market factor for a product or service (Katz and Lazarsfeld, 1955; Day, 1971; Murray, 1991).

It has been shown that satisfaction leads to consumers' recommending a product or service (Howard and Sheth, 1969; Oliver, 1980, 1987; Richins, 1983; Brown and Beltramini, 1989; Wilson and Peterson, 1989; Reichheld and Sasser, 1990; Blodgett, Granbois, and Walters, 1993; Dick and Basu, 1994; Beatty et al., 1996). Beatty et al. (1996) reported that satisfied retail customers frequently engaged in positive word of mouth advertising for the retailer with whom they were satisfied. Previous research has also shown that word of mouth recommendations are critical to consumers during the decision making process about a product or service (Murray, 1991; Giese and Spangenberg, 1997). Some researchers propose that ensuring satisfaction and attempting to

31

establish loyalty tendencies in customers results in the development of customer advocacy. In turn, it has been shown that customer advocacy often results in positive word of mouth (Griffin, 1995).

Feick, Price, and Higie (1987) conducted a study of consumers to determine what characteristics of retailers (i.e., product availability) are likely to be communicated among customers. The researchers found that several characteristics of retailers are very likely to be discussed by customers. Interestingly, these findings showed no variance across different types of retail stores. The study also identified a group of consumers ("market mavens") who have in-depth information about various products and locations and who are responsible for more dialogue than most other customers.

A study by Giese and Spangenberg (1997) examined the effects of word of mouth behavior on product evaluation. The researchers used an experimental method to demonstrate that negative word of mouth information is influential in lessening familiarity with a product. Conversely, the research showed that positive word of mouth information does not enhance familiarity with a product.

Herr, Karders, and Kim (1991) found similar results to those of Giese and Spangenberg (1997) regarding the connection between word of mouth information and product evaluation. Specifically, the study found that negative word of mouth information decreases familiarity with a product. The major difference in the Herr et al. (1991) study was that the research focused on the method via which the information was delivered (i.e., vividly vs. pallidly) and the type of information exchanged (i.e., anecdotal vs. attributed related).

Two experiments were conducted. The results of the first experiment showed that word of mouth information is more potent and more important in consumer judgment of a product than less vivid printed information (pallid information). The results of the second experiment showed that a

vivid word of mouth communication exchange has a reduced effect on product assessment when the consumer already has a negative opinion of a product. The researchers determined that word of mouth communication has a strong impact on product assessment because it is accessible and vivid. Based on this evidence, this study hypothesizes that:

H_5: The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's word of mouth communication behavior about the retail store brand.

Summary

Consumers receive utilitarian and hedonic benefits from the purchase of retail store branded products. The consumer's positive evaluation of and attitude toward the benefits derived from the experience have been shown to lead to positive salesperson, store, and company level outcomes (Reynolds and Beatty, 1999). Other studies have tested this framework empirically, but have failed to examine the effect of benefits derived from the purchase of retail store branded products. Therefore, the current study is proposed as a means of investigating retail store brand satisfaction, loyalty, and word of mouth communication in the previously empirically tested (but adapted) framework.

This chapter organized and presented the literature on the store brand phenomenon and consumer benefits derived from the purchase of retail store branded products. In addition, the chapter discussed the satisfaction, loyalty, and word of mouth constructs and their relationships in the retail store brand context. The research hypotheses were also presented. The constructs in the framework of the current study have been developed and previously examined in other areas.

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

The purpose of this chapter is to explain the research methodology for testing the hypotheses posed in Chapter Two. The hypotheses were developed based on a review of the existing literature. The exogenous (independent) variables in the study are the utilitarian and hedonic benefits derived from the consumer's purchase of a retail store branded product. The endogenous (dependent) variables include retail store brand satisfaction, retail store brand attitudinal loyalty, retail store brand word of mouth, and retail store brand share of purchases. The measures used in the current study were adapted from previously existing measures. To establish reliability and validity of the adapted scales, confirmatory factor analysis (CFA) was performed and analyzed. Due to the covariate nature of the research model, structural equation modeling (SEM) was used to evaluate the research hypotheses.

The remainder of this chapter is organized into six sections. First, the theoretical model presented in Chapter One is redrawn as a structural equation model consisting of the latent variables examined in this study. Next, the research design is described, followed by a discussion of the measures used in the study. Fourth, the results of the pretest of the survey instrument are discussed. Next, the sample selection is outlined and the implementation of the instrument is explained. Finally, confirmatory factor analysis followed by structural equation modeling is discussed as the analysis method of choice for this study.

Structural Equation Model

The purpose of this section is to convert the theoretical model presented in Chapter One into the form of a structural equation model. The new model, presented in Figure 2, consists of two exogenous (independent) variables and four endogenous (dependent variables). The exogenous variables include utilitarian consumer benefits ($\xi 1$) and hedonic consumer benefits ($\xi 2$). The endogenous variables include consumer satisfaction ($\eta 1$), attitudinal loyalty ($\eta 2$), share of purchases ($\eta 3$), and word of mouth communication ($\eta 4$).

The theoretical model was developed from the five hypotheses presented in Chapter Two. The research hypotheses are summarized below:

H_1: The consumer's perception of utilitarian benefits is positively associated with the consumer's satisfaction with the retail store branded product purchase experience.

H_2: The consumer's perception of hedonic benefits is positively associated with the consumer's satisfaction with the retail store branded product purchase experience.

H_3: The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's attitudinal loyalty to the retail store brand.

H_4: The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's share of purchases of the retail store brand.

H₅: The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's word of mouth communication behavior about the retail store brand.

Research Design

This study employed a non-experimental survey methodology to gather the data necessary to test the relationships between the constructs listed in the previous section. A survey research design was considered appropriate for several reasons: (1) the use of a survey is advantageous for collecting perceptual data from a large population; (2) survey data are easily quantifiable; and, (3) several measures were developed by previous researchers for the survey design.

All of the variables were assessed through the respondents' perceptual evaluation and their recounting of specific attitudes, beliefs, and behaviors. The targeted respondent was an undergraduate college student. A copy of the survey instrument is included in Appendix 3.
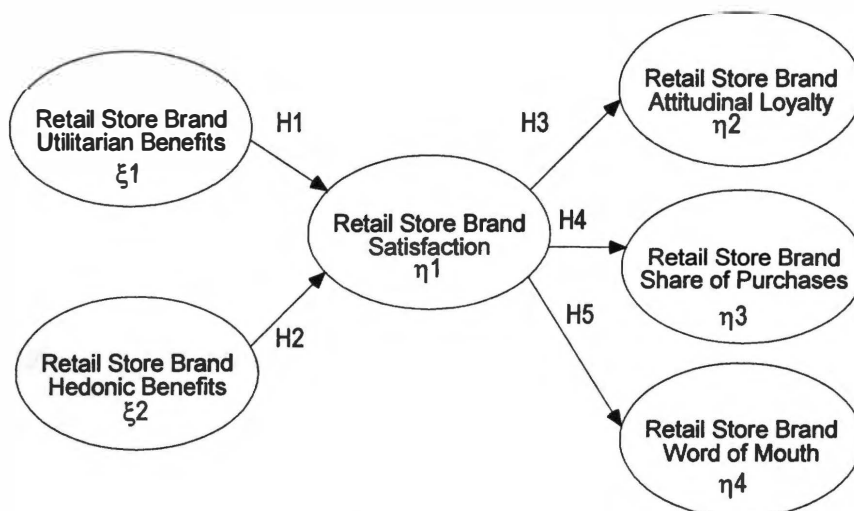
Figure 2: Structural Equation Model

Product Selection

This research examined the relationships between the constructs in an apparel purchasing context. Apparel was selected for several reasons. The fact that apparel is purchased by all consumers simplifies respondent selection and enlistment. In addition, retail store branding is a commonly used strategy in the apparel product category. Finally, apparel products provide the opportunity to examine each of the types of consumer benefits (utilitarian and hedonic) included in the study because the purchase experience associated with apparel products reflects both the utilitarian and hedonic constructs.

Store Selection

Specialty stores were selected to examine the relationships between the constructs in the apparel purchasing context because they represent the prominent retail format in terms of consumer apparel purchases. Specialty stores garner 23% of apparel purchases on a dollar basis as compared to 18% at department stores and 14% at general merchandise stores (Schulz, 2001). The estimated per capita spending amount of $700 per person on clothing in the United States indicates that specialty store apparel retailers face a highly competitive marketplace (Michman and Maze, 2001). Therefore, winning and retaining customers is of vital importance for these retailers (Smith, 2000).

The specific specialty store retailers selected for examination in this study were Abercrombie and Fitch, American Eagle Outfitters, Banana Republic, The Gap, J. Crew, and Old Navy. These retailers were consistently ranked in the top 100 specialty store retailers by *Stores* magazine over the past several years (Stores, 2002, 2001, 2000). In addition, the retail store branding strategy

used by each of the companies is similar. Finally, the target market for each of the retailers is also very similar (Michman and Maze, 2001).

Measurement

In accordance with survey methodology, appropriate measures are necessary to examine relationships between latent variables. In this section, the measurement of the six variables depicted in Figure 2 is discussed. All of the variables have existing, reliable scales in the literature; therefore, the existing scales were adapted to fit the retail store branded product purchase experience context.

Existing Scales

Multi-item scales of the consumer benefits constructs will be developed from various pre-existing scales. For utilitarian and hedonic benefits, the Hedonic and Utilitarian Shopping Value Scale was used (Babin, Darden, and Griffin, 1994). No adaptation of the scales was required. The final instrument consisted of two scales, with utilitarian and hedonic benefits measured on seven-point Likert scales anchored by strongly disagree/strongly agree. The multi-item scales for the two consumer benefit constructs are included in Appendix 3.

Satisfaction with the retail store brand was adapted from Reynolds and Beatty's (1999) measure of satisfaction with the salesperson (e.g., in the satisfaction scale, "Please indicate your feelings with respect to your relationship with your salesperson at the retail store" will be changed to "Please indicate your feelings with respect to your purchase of *the retail store brand*"). The instrument consisted of a seven-point Likert scale, anchored by strongly disagree/agree. The multi-item scale for the satisfaction construct is included in Appendix 3.

Like the scale for retail store brand satisfaction, the scale for attitudinal loyalty to the retail store brand was adapted from Reynolds and Beatty's (1999) loyalty to the salesperson scale (e.g., in the loyalty scale, "I am very loyal to my sales associate at *company name*" will be changed to "I am very loyal to *the retail store brand*"). The instrument consisted of a seven-point Likert scale, anchored by strongly disagree/strongly agree. The multi-item scale for retail store brand attitudinal loyalty is included in Appendix 3.

Reynolds and Beatty's (1999) share of purchase items were used to measure retail store brand behavioral loyalty. The scale measured the share of purchases by asking consumers to estimate both their average monthly purchases of the retail store brand and their total monthly clothing purchases. The multi-item scale for retail store brand share of purchases is included in Appendix 3.

The scale that was used to measure retail store brand word of mouth was adapted from Harrison-Walker (2001). The original measures were adapted to fit the retail store brand context (e.g., in the original scale, "I mention this *service organization* to others quite frequently" will be changed to "I mention this *store* to others quite frequently"). The instrument consisted of a seven-point Likert scale, anchored by strongly disagree/strongly agree. The multi-item scale for retail store brand word of mouth is included in Appendix 3.

Pretest of the Survey Instrument

The analysis of the pretest of the survey instrument included descriptive statistics, reliability analysis and exploratory factor analysis. The pretest was exploratory in nature. Therefore, the researcher made no decisions with regard to the removal of specific items based on the results of the pretest. Instead, the researcher decided to collect data for all of the items in each scale as part of the final data collection process. The results of the confirmatory factor analysis (which would be

performed after collecting the final data) would be used to assess the worth of individual items within the framework of the overall confirmatory factor analytic model.

A total of 91 surveys were collected from a non-probability sample of undergraduate students from a Southeastern university. The descriptive statistics revealed no skewness or kurtosis problems with the data. The detailed results of the pretest are included in Appendix 2.

Reliability analysis and exploratory factor analysis were used to examine the measures for the all of the variables in the study. The scale used to measure retail store brand utilitarian and hedonic consumer benefits produced an alpha of .7073. Item-total statistics showed that if H11 was removed from the scale, the alpha would increase to .7773. In addition, the exploratory factor analysis identified two factors with acceptable loadings (>.70) on each factor.

The retail store brand consumer satisfaction measure appeared to be performing well, with the scale producing an alpha of .9101. Item-total statistics showed that the alpha would decrease if any items were removed from the scale. The exploratory factor analysis clearly showed one factor with acceptable loadings for each item.

The reliability analysis of the attitudinal loyalty scale produced an alpha of .7415. However item-total statistics showed that if AL4 was removed, the alpha would increase to .8408. AL4 was a reversed-scored item that may have confused respondents. Please refer to Appendix 2 for the wording of the item. The results of the exploratory factor analysis produced a single-factor solution. Again, the exploratory factor analysis showed one factor with acceptable loadings for each item.

The word of mouth communication scale produced an alpha of .8005 in the reliability analysis. Item-total statistics showed that if WM5 was removed, the alpha would increase to .8650. Again, WM5 was a reversed-scored item that may have confused respondents. Please refer to Appendix 2 for the wording of the item. The exploratory factor analysis produced a single-factor solution, but

the loading for WM5 was very low. However, the loadings for all of the other items were acceptable.

Sample

As stated in the research design section, the current study used a non-experimental survey design. Kerlinger and Lee (2000) contend that two major limitations of survey research involve non-response bias and false reporting bias. However, the survey methodology is the preferred design because a large sample can be reached in a short time and the cost will be low. Following is a discussion of sampling issues including sample selection and implementation/sample characteristics.

Sample Selection

The survey instrument was designed to solicit the following information: (1) consumer perceptions of utilitarian and hedonic benefits derived from the purchase of a retail store branded product, (2) specific attitudes, feelings, and beliefs developed as a result of the evaluation of those benefits (i.e., satisfaction), (3) behaviors that occur as a result of those attitudes, feelings, and beliefs (i.e., word of mouth, loyalty), and (4) demographic information. A screening question was used to select respondents who have purchased a retail store branded apparel product from any one of the selected specialty store retailers during the past six months. Those who have not purchased a retail store branded apparel product from one of selected specialty retailers during the past six months did not participate.

All respondents were asked for information about their perceptions of the benefits they derived as a result of their purchase and use of the retail branded apparel product (i.e., utilitarian and

hedonic). Next, respondents were asked about specific attitudes, feelings, and beliefs developed as a result of the purchase experience (i.e., satisfaction). Respondents were then asked about specific behaviors (i.e., word of mouth, loyalty) that may have occurred as a result of the attitudes, feelings, and beliefs. Finally, respondents were asked to provide demographic information.

A student sample was used for this study. The use of student samples in consumer behavior research has been criticized because of the debate surrounding whether the results obtained can be generalized to the larger population (Lamb and Stem, 1979; Wells, 1993). However, many researchers argue that the differences between using student samples versus consumer samples are minimal enough to justify using students as subjects (Khera and Benson, 1970; Sheth, 1970; Brown and Brown, 1993).

For the research question posed in this study, a college student sample was relevant and appropriate for several reasons. College students are part of the specified target market of the selected specialty store apparel retailers. The retail store branding strategy has begun to help specialty store apparel retailers capitalize on college students' desire for a distinct image by branding themselves to match, and have enjoyed much financial success in doing so ("New Merchandising," 1999). In addition, over half of the young adult consumers (some of whom were college students) that participated in a recent survey stated that they prefer to shop in specialty stores ("Retailers Taking Notice," 2001).

Implementation and Sample Characteristics

The data were collected using a survey methodology. The administrator of the survey collected the data in classrooms at a Southeastern university in the United States. Respondents were instructed to answer the questions based on their most recent purchase of a retail store branded

43

apparel product. The survey instrument included a screening question to ensure that respondents have purchased at least one retail store branded apparel product (during the past six months) from any one of the selected specialty store retailers examined in the study.

Method of Analysis

Using the final data set, confirmatory factor analysis (CFA) was performed to determine whether the scales used to measure the constructs required modification. In addition, reliabilities were assessed on the results of the confirmatory analytic model. Unidimensionality was also established. Once the scales were confirmed, a structural equation model (SEM) was produced. The SEM and research hypotheses were evaluated using analysis of covariant structure techniques supported by the SEM software AMOS. The results of the confirmatory factor analysis (CFA) and the subsequent structural equation model (SEM) produced for this study are discussed in the following chapter.

Summary

This chapter discussed the research methodology for the current study. Following the introduction, the theoretical model presented in Chapter One was redrawn as a structural equation model. Next, the research design and measurement sections were included. The results of the pretest of the survey instrument were discussed. Following the discussion of pretest results, a sample section was included to discuss sample selection, implementation, and characteristics. Finally, the method of analysis section was included to examine the use and merits of confirmatory factor analysis and structural equation modeling in this study. Chapter Four will report the results of the final sample data analysis.

CHAPTER FOUR

DATA ANALYSIS AND RESULTS

The purpose of this chapter is to explain the data analysis and results of the current study. First, the final sample characteristics and descriptive statistics are discussed. Next, the measure refinement process is examined. The measure refinement process included reliability analysis, data analysis, confirmatory factor analysis, and structural equation modeling. Finally, the hypotheses tests and additional findings are presented.

Final Sample Characteristics

A total of 276 students were included in the final sample. The demographic data collected included information on the age, gender, race, class rank, major, income, and marital status. In addition, data was collected on the percentage of respondents who answered questions based on each of the six retail store brands used in the study. The ages of the respondents ranged from 18 years old to 31 years old, with a mean of 21 years old. Gender was highly skewed with 65.2 percent of the respondents being female and 34.8 percent being male. Race was also highly skewed, with 88.8 percent of respondents being Caucasian/white, 5.1 percent African American/black, 3.6 percent Asian, and 1.4 percent Hispanic/Latino.

In terms of class rank, the sample was skewed toward upper-classmen, with 50.7 percent of respondents being juniors, 36.2 percent seniors, 10.5 percent sophomores, and 2.5 percent freshmen. The majority of the respondents were pursuing degrees in business or communications-related related majors (63.8 percent and 21 percent, respectively). Other respondents were

pursuing degrees in the humanities (3.3 percent), medicine (3.3 percent), engineering (2.9 percent), or were undecided (3.3 percent).

The respondents' incomes ranged from less than $10,000 per year to between $50,000 and $74,999 per year. As expected with a student sample, the majority of respondents (70.7 percent) reported incomes of less than $10,000 per year. In addition, 22.1 percent of respondents reported incomes between $10,000 and $24,999. In terms of marital status, the majority of respondents had never been married (95.3 percent), and 3.6 percent were married.

Respondents were asked to select the retail store brand which they had most recently purchased from (within the last six months) and to answer the survey questions based on that specific purchase experience. Old Navy was the most frequently mentioned brand, with 32.6 percent of respondents reporting a shopping trip to Old Navy as the most recent retail store brand apparel purchase experience. Banana Republic was the second most frequently mentioned retail store brand, cited by 15.6 percent of respondents. The Gap and J. Crew were the next most cited retail store brands, with both showing 14.1 percent each. In addition, 12 percent of respondents reported having most recently shopped at American Eagle Outfitters and 11.6 percent of respondents reported Abercrombie & Fitch.

Descriptive Statistics

The mean, standard deviation, skewness, and kurtosis values were examined for each item on the survey. The descriptive statistics for all of the items in the data set are in Appendix 3. This analysis revealed no problems with skewness or kurtosis in the data set. With the scale of the means ranging from one (strongly disagree) to seven (strongly agree), the lowest mean was 2.76 (item U4: "I was disappointed because I had to go to another store to complete my shopping"). The

highest mean was 5.86 (item AL5: "I have favorite stores I buy from over and over"). One of the four items measuring retail store brand utilitarian consumer benefits and one of the eleven items measuring retail store brand hedonic consumer benefits showed a mean greater than 5.0 (items U1 and H2). In addition, all four of the items measuring retail store brand consumer satisfaction had a mean greater than 5.0 (items S1, S2, S3, and S4). Three of the six items measuring retail store brand consumer attitudinal loyalty showed means greater than 5.0 (items AL2, AL5, and AL6). The standard deviations for all items ranged from 1.064 to 1.760. Following is a description of the measure refinement process.

Measure Refinement

Preparation for data analysis using structural equation modeling requires that the measures used in the study be refined in order to contain only those items that are the most relevant, valid, and reliable. Careful measure refinement insures a theoretically sound and well-fitting model. All of the measures in the study were examined by checking their unidimensionality and reliabilities and by performing a confirmatory factor analysis (CFA). Once the measurement model (final CFA) was accepted, the structural equation model (SEM) was tested using the AMOS statistical analysis program.

Unidimensionality and Reliability Analysis

A scale is considered unidimensional when the items of the scale estimate one factor. Confirmatory factor analysis was used to examine the unidimensionality of the measures (Gerbing and Anderson, 1988). Items that loaded weakly on a hypothesized factor were eliminated from the scale, thus resulting in a unidimensional scale.

In particular, three items loaded weakly on the corresponding hypothesized factors. Item WM5 ("I seldom do more than mention the name of that store to others") loaded at 0.048 and was consequently removed from the retail store brand word of mouth communication scale. The item was reverse-scored and the item wording may have confused respondents. Two of the retail store brand attitudinal loyalty items loaded weakly on the hypothesized factor. Item AL5 ("I have favorite stores I buy from over and over") and Item AL6 ("Once I find a product or store I like, I stick with it) loaded at 0.420 and 0.487, respectively. This was most likely due to the fact that these two items were geared toward measuring the respondent's overall propensity for attitudinal loyalty, whereas the other items measured attitudinal loyalty to the particular retail store brand in question. Once these items were removed, all of the scales used in the study were assumed to be unidimensional.

Reliability is "a measure of the internal consistency of the construct indicators, depicting the degree to which they 'indicate' the common latent (unobserved) construct" (Hair et al., 1995, p. 641). Cronbach's (1951) coefficient alpha was used as the measure of reliability, ranging from zero to 1.0. Values of 1.0 indicate higher reliability among the indicators (Hair et al., 1995). Reliability values greater than 0.70 are considered to be acceptable.

The reliability of each measure was tested. See Table 1 on the following page for the reliability analysis results. Refer to Appendix 3 for detailed reliability analysis results. The retail store brand utilitarian/hedonic consumer benefits, retail store brand consumer satisfaction, and retail store brand word of mouth communication measures were deemed acceptable because the associated reliability coefficients were greater than 0.70. The retail store brand attitudinal loyalty measure originally produced a reliability coefficient of 0.4177, which was deemed unacceptable because it is less than 0.70. However, an examination of the item-total statistics showed that if one item (AL5: "I

Table 1: Reliability Analysis of Measures

Measure	Reliability
Retail Store Brand Utilitarian Consumer Benefits	.7267
Retail Store Brand Hedonic Consumer Benefits	.7580
Retail Store Brand Consumer Satisfaction	.9236
Retail Store Brand Attitudinal Loyalty (AL5 dropped)	.8211
Retail Store Brand Word of Mouth Communication	.8009

have favorite stores I buy from over and over") was removed, the reliability coefficient would be improved (0.8211) and would be deemed acceptable because it would be greater than 0.70.

The Guttman split-half analysis in SPSS software was also conducted on the data to ensure reliability. Cronbach's coefficient alpha was 0.7931 for the first part of the data (16 items) and 0.8196 for the second part of the data (16 items). Because both halves of the data set produced acceptable reliability coefficients (>0.70), the reliability of the measures is further developed.

Data Analysis

In order to analyze the items that measured each latent variable, confirmatory factor analysis (CFA) was used. To analyze the relationships between the variables, structural equation modeling (SEM) was used. AMOS was the software used for both analyses. There are several indices in CFA and SEM that allow the researcher to assess the fit of the model with respect to the given data set. In the current study, the chi-square goodness-of-fit statistic, the Bentler comparative fit index (CFI) and the root mean square error of approximation (RMSEA) and its corresponding p-close value were examined. The confirmatory factor analysis is described next.

Confirmatory Factor Analysis (CFA)

In the confirmatory factor analysis process, the researcher works to improve the overall fit of the model. This procedure involves omitting unnecessary items and correlating similar items. In a confirmatory factor analysis, all of the variables in the model are covaried, although there is no expected relationship between the variables. Therefore, the confirmatory factor analysis included all of the variables in the proposed model. A total of 276 observations were analyzed for the first CFA model. The descriptions of the criterion used to examine the CFA, as well as the CFA process, is described below.

First, the normality of the data set was examined. The analysis showed no problems with skewness or kurtosis in the data. In addition, the lambda weights proposed in the current study (the paths from the items to the variables) were examined for their significance. The majority of the lambda weights between items and variables were determined to be significant, with the exception of the three items discussed in the previous section (WM5, AL5, AL6). Item WM5 ("I seldom do more than mention the name of that store to others") produced a weak loading of 0.048 and indicated an insignificant path (p=0.452). Therefore, WM5 was removed from the model. Item AL5 ("I have favorite stores I buy from over and over") and Item AL6 ("Once I find a product or store I like, I stick with it") produced weak loadings of 0.420 and 0.487, respectively. Therefore, items AL5 and AL6 were also removed from the model.

Next, the modification indices between the factors were examined to determine if they were indicative of cross-factorial loadings (i.e., retail store brand consumer benefits items loading on the retail store brand attitudinal loyalty construct). Large modification indices are an indication of factor cross-loadings (Hair et al., 1995). Modification indices should be less than ten for the error terms of paired items. A retail store brand hedonic consumer benefits item (H1: "That shopping trip was truly

50

a joy") cross-loaded on the retail store brand utilitarian consumer benefits construct (Modification index of 30.295). Previous research has shown that adjacent items on a survey may cross-load with previous or subsequent items (Fields, Thacker, & Tetrick, 1990). Therefore, Item H1 was dropped from the model.

Finally, the modification indices of the within factor correlated error terms among the items were examined. If two items measuring the same variable were very similar in content, the items were examined. As in the examination of the modification indices between the factors, the ideal modification index should be less than ten. Therefore, situations where the modification index was greater than ten for the error terms of two items measuring the same construct were examined in this stage of the analysis. In these instances, the error terms of the two items were correlated to determine if this improved the fit of the model. The literature indicates that the practice of correlating adjacent and consecutive items can substantially improve the fit of a model (Fields, Thacker, & Tetrick, 1990). The results of this process are discussed in the next section.

Confirmatory Factor Analysis Results

The initial run of the CFA model produced a chi-square of 1177.561 at 481 degrees of freedom. A large chi-square statistic relative to the degrees of freedom indicates that the observed and estimated matrices differ considerably (Hair et al., 1995). The root mean square error of approximation (RMSEA) value was 0.073 (p=0.000). The RMSEA reflects the error of approximation in the population (Byrne, 2001); therefore it estimates how well the model would theoretically fit the population covariance matrix.

A RMSEA value of 0.05 or less indicates a close-fitting model in relation to the degrees of freedom (Byrne, 2001; Browne & Cudeck, 1993). A RMSEA value of 0.00 would indicate perfect fit

of a model. Likewise, a RMSEA value of 0.08 indicates reasonable fit and a value of 0.10 or higher indicates poor fit. Also important to the RMSEA value is the closeness of fit value (p-close). The p-close indicates the closeness of the fit, which is the probability that the fit meets the closeness criterion of the RMSEA value. The p-close value should be greater than .05 (Ladd, 2002).

In addition to the RMSEA value, the Bentler comparative fit index (CFI) was examined. The CFI for the initial run of the CFA model was 0.869. In the CFI process, the existing model is compared to the independence model, which assumes that the latent variables in the model are uncorrelated (Garson, n.d.). The Bentler CFI index ranges from 0.0 to 1.0, with 1.0 indicating the best fit. Values greater than 0.90 are considered acceptable (Garson, n.d.; Ladd, 2002).

Because the statistics produced from the initial run of the CFA model were unacceptable, steps were taken to improve the fit of the model. The first steps taken were to remove the items that had been discovered to have weak lambda weights and/or high cross-factor modification indices. These items were discussed in the previous section, including H1, AL5, AL6, and WM5. After these items were removed, the CFA was run again.

The second run of the CFA model produced an improvement in the fit, with a chi-square of 786.081 at 363 degrees of freedom, a RMSEA value of 0.065 (p=0.000), and a CFI of 0.911. Based on this information, the next step was to examine the modification indices for within-factor correlation between items. The first area of concern about within-factor correlation occurred in the retail store brand word of mouth communication construct. Items WM3 ("I seldom miss an opportunity to tell others about that store") and WM4 ("When I tell others about that store, I tend to talk about the store in great detail") produced a modification index of 40.564. It seems reasonable that someone who is enthusiastic enough to "seldom miss an opportunity" to engage in word of mouth communication about something may also offer great detail about the situation, therefore

52

these two items were allowed to correlate. Items WM 6 ("I have only good things to say about that store") and WM7 ("I am proud to tell others that I purchase from that store") also produced modification indices that were greater than ten when each was paired with Item WM3. It seems reasonable to assume that if the conditions reflected in items WM5 and WM6 were met (positive feelings about a previous experience), a consumer might be enthusiastic enough to "seldom miss an opportunity" to engage in word of mouth communication. Therefore, these items were allowed to correlate.

Two additional areas within the model caused within-factor correlation concerns. First, two items in the retail store brand utilitarian consumer benefit construct (U2: "I couldn't buy what I really needed") and U4: "I was disappointed because I had to go to another store to complete my shopping") produced a modification index of 16.978. Because both of the items relate to negative utility (i.e., not being able to satisfy a need or want during the purchase experience), the items were allowed to correlate. Secondly, item H10 ("While shopping, I felt a sense of adventure") produced modification indices of 21.032 and 31.837 when paired with item H8 ("During the trip, I felt the excitement of the hunt") and H9 ("While shopping, I was able to forget my problems"), respectively. It seems reasonable that the excitement, escapism, and adventure dimensions of the hedonic benefits construct could be related. Therefore, item H10 was allowed to correlate with item H8 and item H9.

The third run of the CFA model showed great improvement, with a chi-square of 574.468 at 356 degrees of freedom, a RMSEA value of 0.047 (p=0.735), and a CFI of 0.95. Based on this analysis, the confirmatory factor analytic model was accepted. The results of the structural equation model are discussed next.

Structural Equation Model (SEM)

Structural equation modeling (SEM), using the AMOS software, was the technique used to evaluate the theoretical model developed in Chapter Three. Retail store brand consumer satisfaction, retail store brand attitudinal loyalty, retail store brand word of mouth communication, and retail store brand share of purchases were altered to become the endogenous (dependent) variables in the model. Therefore, the structural equation model consisted of two exogenous variables (retail store brand utilitarian consumer benefits and retail store brand hedonic consumer benefits) and four endogenous variables (retail store brand consumer satisfaction, retail store brand attitudinal loyalty, retail store brand share of purchases, and retail store brand word of mouth communication).

The initial run of the structural equation model produced a chi-square of 741.165 at 366 degrees of freedom, a RMSEA value of 0.06 (p=0.002), and a CFI of 0.92. These statistics did not reflect a close fit of the model to the data set. Therefore, the modification indices were examined for relationships between the constructs that were not included in the a priori theoretical model. The residual error terms for the retail store brand attitudinal loyalty and retail store brand word of mouth communication constructs produced a modification index of 79.883, indicating empirical support for a relationship between the two constructs. When examining relationships not hypothesized in the a priori theoretical model, the researcher must consider both empirical and theoretical evidence for such relationships. The findings of several previous studies support the effect of loyalty on word of mouth communication (Srinivasan, Anderson, and Ponnavolu, 2002; Harrison-Walker, 2001; Reynolds and Arnold, 2000; Gremler and Brown, 1999). Therefore, the researcher decided to explore the role of the retail store brand attitudinal loyalty construct as a

mediator between retail store brand satisfaction and retail store brand word of mouth communication.

A nested models technique was used to compare the fit of several models. Nested model techniques allow the researcher to compare the fit of several models simultaneously. The a priori theoretical model which was used in the initial run of the structural equation model was compared to two other models. The first model was a partial mediation model in which a path between retail store brand attitudinal loyalty and retail store brand word of mouth communication was added to the a priori model. The same path was also added to the second model; however, the path from retail store brand consumer satisfaction to retail store brand word of mouth communication was removed. This provided for a model examining complete mediation of retail store brand attitudinal loyalty between retail store brand consumer satisfaction and retail store brand word of mouth communication.

The fit indices for each model were then examined closely to determine which model produced the best fit. Upon examination of the AMOS output, it was clear that the complete mediation model produced superior fit to that of the a priori and partial mediation models. The complete mediation model produced a chi-square of 646.839 at 366 degrees of freedom, a RMSEA value of 0.05 (p=0.238), and a CFI of 0.94. For a detailed comparison of the fit statistics for the three models, please refer to Appendix 3.

Based on the acceptance of the complete mediation model, the p-values of the standard regression weights were examined for significance of the paths between the variables. It is important to note that the complete mediation model called for the removal of the path from retail store brand consumer satisfaction to retail store brand word of mouth communication. Therefore, that specific path was no longer being examined. The path from retail store brand consumer

satisfaction to retail store brand share of purchases was not significant (p-value = 0.702). Therefore, it appeared that retail store brand consumer satisfaction did not influence retail store brand share of purchases.

The insignificant path from retail store brand consumer satisfaction to retail store brand share of purchases was then removed from the model to see if the fit of the model improved. The removal of this path resulted in an improvement in fit of the model, producing a chi-square of 646.984 at 367 degrees of freedom, a RMSEA value of 0.05 (p=0.250), and a CFI of 0.94. Therefore, it was decided that the path between retail store brand satisfaction and retail store brand share of purchases should be removed from the model.

Hypotheses Tests

Structural equation modeling was used to test each of the hypotheses. Please refer to Figure 3 for a summary of the hypotheses in the context of the structural equation model. In addition, Figure 3 summarizes the results of the hypotheses tests.

Hypothesis 1

Hypothesis 1 stated that the consumer's perception of utilitarian benefits would be positively associated with the consumer's satisfaction with the retail store branded product purchase experience. Based on the standardized estimate of 0.721 and the associated p-value of 0.000, this hypothesis was supported. It is important to note that the standardized estimate is equivalent to the beta weight in other forms of multivariate analysis; therefore, higher numbers generally more desirable. However, the p-value associated with the standardized weight is a better indicator of the

H1	p = 0.000	Supported
H2	p = 0.000	Supported
H3	p = 0.000	Supported
H4	p = 0.702	Not Supported
H5	p = 0.000	Supported
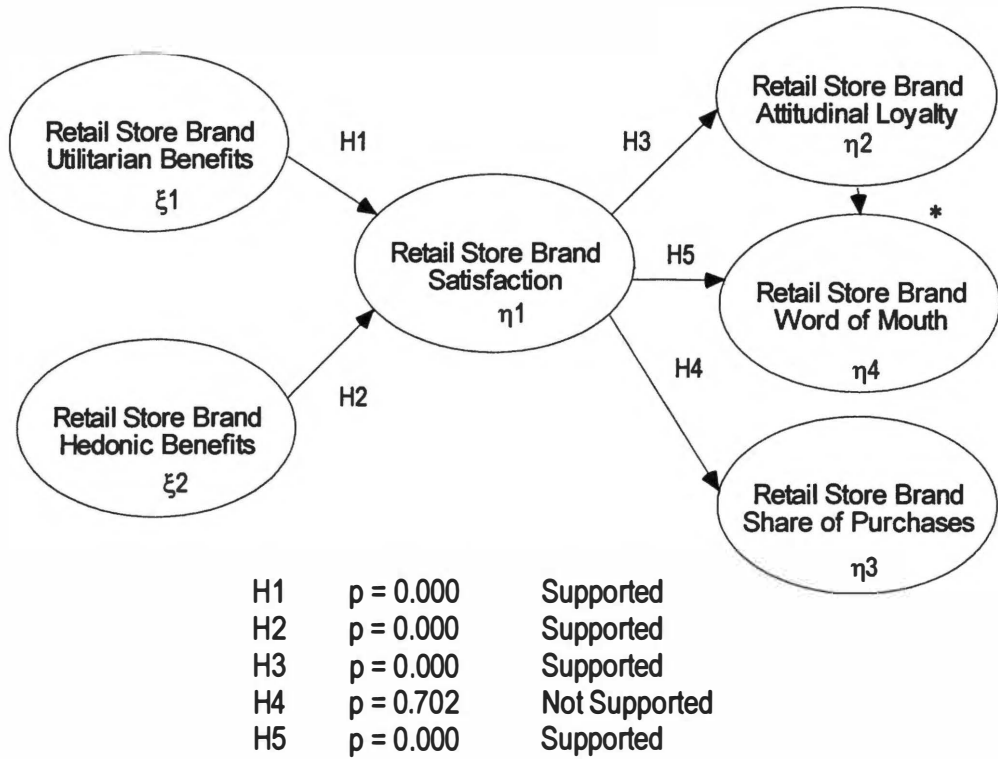
Figure 3: Structural Equation Model with Associated Hypotheses

*Indicates additional findings.

fit. In cases where the p-value is less than 0.001, the standardized estimates are not as important. Based on the results of the hypothesis test, it appears that consumer's perception of retail store brand utilitarian consumer benefits has a positive influence on retail store brand consumer satisfaction.

Hypothesis 2

Hypothesis 2 stated that the consumer's perception of hedonic benefits would be positively associated with the consumer's satisfaction with the retail store branded product purchase experience. The hypothesis test produced a standardized estimate of 0.281 (p=0.000). Therefore, it appears that the consumer's perception of hedonic benefits positively influences the consumer's satisfaction with the retail store branded product purchase experience. Accordingly, if the consumer perceives hedonic benefits related to the purchase experience, it is likely that the consumer will be satisfied.

Hypothesis 3

Hypothesis 3 stated that retail store brand satisfaction would be positively associated with retail store brand attitudinal loyalty. The results of the hypothesis test produced a standardized estimate of 0.716 (p=0.000). Therefore, Hypothesis 3 was supported. Based on the hypothesis test, it appears that the consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's attitudinal loyalty toward the retail store brand.

Hypothesis 4

Hypothesis 4 stated that the consumer's satisfaction with the retail store branded product purchase experience would be positively associated with the consumer's share of purchases of the retail store brand. With a standardized estimate of 0.024 and an associated p-value of 0.671 (a priori theoretical model), this hypothesis was not supported. Therefore, it appeared that retail store brand consumer satisfaction did not influence retail store brand share of purchases.

Hypothesis 5

Hypothesis 5 stated that the consumer's satisfaction with the retail store branded product purchase experience would be positively associated with the consumer's word of mouth communication behavior about the retail store brand. In light of the nested model comparison leading to the discovery of the attitudinal loyalty construct functioning as a mediator between retail store brand consumer satisfaction and retail store brand word of mouth communication, this path was dropped from the model. Therefore, based upon the acceptance of the complete mediation model, hypothesis 5 was not supported. It appears the relationship between retail store brand consumer satisfaction and retail store brand word of mouth communication is heavily mediated by retail store brand attitudinal loyalty.

Additional Findings

In addition to the hypotheses, an additional finding is noteworthy. Based on the superior fit of the complete mediation model, it appears that the relationship between retail store brand consumer satisfaction and retail store brand word of mouth communication is mediated by retail store brand attitudinal loyalty. Previous studies have investigated the relationship between the attitudinal loyalty

and word of mouth communication constructs, producing evidence for a positive relationship between the two (Srinivasan et al., 2002; Harrison-Walker, 2001; Reynolds and Arnold, 2000; Gremler and Brown, 1999). In addition, the current study provided empirical evidence to support the relationship. It is not surprising that the findings of this study indicate that satisfaction, alone, does not lead to word of mouth communication. As opposed to consumer satisfaction, attitudinal loyalty tends to be a more enduring concept and appears to provide better motivation for the consumer to engage in word of mouth communication about the retail store brand.

Summary

The purpose of this chapter was to explain the data analysis and results of the current study. First, the final sample characteristics and descriptive statistics were discussed. Next, the measure refinement process was examined. The measure refinement process included reliability analysis, data analysis, confirmatory factor analysis, and structural equation modeling. Finally, the hypotheses tests and additional findings were presented. Three out of five hypotheses were supported, and an important additional finding was discovered. Additionally, the complete mediation version of the structural equation model was supported with a CFI of 0.94. Chapter 5 will discuss the conclusions of the study and present the managerial and theoretical implications.

CHAPTER FIVE

CONCLUSIONS AND IMPLICATIONS

The purpose of this study was to examine the relationships between utilitarian and hedonic consumer benefits (as they relate to the purchase of retail store branded products) and several important outcome variables (i.e., retail store brand consumer satisfaction, retail store brand attitudinal loyalty, retail store brand word of mouth communication, and retail store brand share of purchases). This study was unique because it specifically examined the relationship between the benefits derived by the consumer in a retail store branded product purchase context and the effect of those benefits on retail store brand consumer satisfaction, attitudinal loyalty, share of purchases, and word of mouth communication. The consumer benefit/loyalty framework has been developing in the literature (Macintosh and Lockshin, 1997; Reynolds and Beatty, 1999; Reynolds and Arnold, 2000; DeWulf, Odekerken-Schroder, and Iacobucci, 2001); however, previous researchers have been more concerned with aspects of consumer benefits on salesperson, store, and company loyalty. In contrast, this study was concerned with situations where the retail store and the brand were the same.

Following is a review of the findings from this study. Each hypothesis is summarized, and the end results of the hypothesis tests are discussed. In addition, managerial and theoretical implications are explored, and future research directions are indicated. Finally, limitations and concluding remarks are offered.

Discussion of Findings

In this section, findings of the hypotheses tested are presented and conclusions are discussed. Structural equation modeling using AMOS was used to test the hypotheses in the study.

Hypothesis 1

H_1: The consumer's perception of utilitarian benefits is positively associated with the consumer's satisfaction with the retail store branded product purchase experience.

Hypothesis 1 was supported (p=0.000). Therefore, if the consumer perceives utilitarian benefits related to the retail store branded product purchase experience, then the consumer will likely be satisfied with the purchase experience. As a result, the consumer's perception of utilitarian benefits is positively associated with the consumer's satisfaction with the retail store branded product purchase experience.

Hypothesis 2

H_2: The consumer's perception of hedonic benefits is positively associated with the consumer's satisfaction with the retail store branded product purchase experience.

Hypothesis 2 was supported (p=0.000). Therefore, if the consumer perceives hedonic benefits related to the retail store branded product purchase experience, then the consumer will likely be satisfied with the purchase experience. The consumer's perception of hedonic benefits, then, is positively associated with the consumer's satisfaction with the purchase experience.

Hypothesis 3

H$_3$: The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's attitudinal loyalty to the retail store brand.

Hypothesis 3 was supported (p=0.000). Therefore, if the consumer is satisfied with the retail store branded product purchase experience, they are likely to display a loyal attitude toward the retail store brand. Retail store brand consumer satisfaction and retail store brand attitudinal loyalty are positively associated.

Hypothesis 4

H$_4$: The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's share of purchases of the retail store brand.

Hypothesis 4 was not supported by either of the comparative structural equation models, including the final, accepted model (complete mediation model). According to the complete mediation model, the consumer's satisfaction with the retail store branded product purchase experience is not associated with the consumer's share of purchases of the retail store brand. Therefore, it appears that retail store brand satisfaction does not influence retail store brand share of purchases.

Hypothesis 5

H$_5$: The consumer's satisfaction with the retail store branded product purchase experience is positively associated with the consumer's word of mouth communication behavior about the retail store brand.

Hypothesis 5 was not supported by the final, accepted structural equation model (complete mediation model). According to the complete mediation model, the consumer's satisfaction with the retail store branded product purchase is not associated with the consumer's word of mouth communication behavior about the retail store brand. Instead, that relationship is mediated by retail store brand attitudinal loyalty. Therefore, if the consumer is satisfied with the retail store branded product purchase experience, it is likely that attitudinal loyalty will develop. In turn, retail store brand attitudinal loyalty leads to retail store brand word of mouth communication.

Implications of this Study

Managerial Implications

In the increasingly competitive environment faced by today's retailers, the pursuit of consumer loyalty is paramount. In order to be competitive, retailers must identify the key ingredients of consumer loyalty and the relationships between the benefits delivered to the consumer and important outcomes (i.e., satisfaction, loyalty, word of mouth communication). The findings of this study contribute in the development of an organizing framework for those relationships, which is exceptionally important in an applied discipline such as retailing.

This study identified two types of benefits desired by the consumer: utilitarian and hedonic. Retailers should understand this if they expect to provide utilitarian benefits to consumers by way

64

of having the right product on hand at the right place and time. In addition, they must recognize that the consumer also desires a hedonic benefit in terms of the shopping experience. The results of this study indicate that consumers expect the purchase experience to offer hedonic qualities such as excitement, entertainment, escapism, fantasy, and fun. Retailers that utilize the store-as-the-brand strategy should recognize this and work to deliver hedonic value throughout the purchase experience. In addition, retailers should recognize that their performance in the delivery of these consumer benefits is linked to important outcomes such as satisfaction, loyalty, and word of mouth communication.

Another important finding of this study indicated that consumer satisfaction is linked to attitudinal loyalty. Although one could argue that other variables not examined in this study contribute equally to attitudinal loyalty, satisfaction appears to be an important antecedent. Therefore, retailers should recognize that in order to create a loyal customer base, they must satisfy the desires and needs of the consumer. One way that retailers can provide satisfaction to the consumer is through the delivery of value in the form of utilitarian and hedonic benefits associated with the purchase experience. Retailers should recognize that they must meet or exceed the consumer's expectations in terms of the benefits the consumer is seeking. It is also important for retailers to understand the link between satisfaction and other important outcome variables (i.e., attitudinal loyalty, word of mouth communication) because satisfaction contributes to these outcomes.

The findings of this study indicated that attitudinal loyalty serves as a mediator between consumer satisfaction and consumer word of mouth communication. It seems reasonable that attitudinal loyalty would mediate the relationship between these constructs because it is a more enduring concept when compared to consumer satisfaction. In their pursuit of customer loyalty, it is

important for retailers to understand this relationship and the associated implications. The results of this research indicate that delivering a satisfying purchase experience can lead to attitudinal loyalty, and in turn, that attitudinal loyalty can lead to the consumer engaging in word of mouth communication about the retail store brand.

The hypothesized relationship between consumer satisfaction and share of purchases was not supported by the findings of this study. There are a variety of explanations as to why the relationship was not significant. Perhaps the screening method used to select respondents was not appropriate for examining this hypothesis. Respondents were asked to reflect on their most recent purchase experience associated with a retail store branded product. It may have been that the consumer had shopped in more than one of the stores examined in the study within the last six months, but that particular store was not one that they shopped at on a regular basis. The researcher attempted to protect the study from bias by asking the respondents to reflect on their most recent purchase experience. Another consideration is that perhaps it is not consumer satisfaction that leads to higher share of purchases, but other variables (i.e., attitudinal loyalty). It seems reasonable that attitudinal loyalty would lead to behavioral loyalty in the form of a higher share of purchases.

Theoretical Implications

The theoretical implications of this study contribute to the body of knowledge by filling gaps in the literature and by substantiating the findings of previous research. Extant studies indicated that significant relationships existed between the delivery of consumer benefits and consumer satisfaction. In addition, strong theoretical and empirical support for relationships between consumer satisfaction, consumer loyalty, and consumer word of mouth communication were found

in the literature. Therefore, this study attempted to test a previously developed theory in the context of retail store branded product purchases. Three out of the five hypothesized relationships in the study were supported, and an important relationship between consumer satisfaction and consumer word of mouth communication was found to be mediated by attitudinal loyalty.

The findings of this study contribute to the academic literature by providing support for the consumer benefit/loyalty framework in the context of consumer purchases from retail stores. Not only are the findings of this study an important addition to the developing stream of literature related to the consumer benefit/loyalty framework, but the findings are also important because they provide new information on a previously uninvestigated area – the retail store brand purchase experience. Therefore, the findings of this study help to begin the process of organizing a framework for understanding the link between consumer benefits (i.e., utilitarian, hedonic) and important outcome variables (i.e., consumer satisfaction, consumer loyalty, consumer word of mouth communication).

The findings of this study also contribute to an established body of literature on several important and timely variables within the retailing discipline. Particularly, this study contributes to the consumer satisfaction literature by providing a better understanding of the satisfaction construct within a retailing context. The findings indicate the importance of satisfaction as an antecedent to attitudinal loyalty. In addition, this study contributes to the consumer loyalty literature by providing a more detailed understanding of the role of attitudinal loyalty as a mediator of satisfaction and word of mouth communication. Finally, the findings of this research contribute to the word of mouth communication literature by identifying important antecedents to word of mouth behavior among consumers (i.e., satisfaction, attitudinal loyalty).

Suggestions for Future Research

As previously discussed in earlier chapters, the body of literature on the consumer benefits/loyalty framework is in an early stage of development. The primary goal for future research should be to identify and examine the various types of benefits consumers desire and need. In-depth qualitative research in the form of personal interviews and focus groups would provide a better understanding of the benefits that consumers desire and need from the purchase experience. This qualitative research would, in turn, contribute to the development of better measures to capture each type of benefit. In turn, it is important to continue to examine the relationships between those benefits and outcome variables that are crucial to the success of the retail firm (i.e., satisfaction, loyalty, word of mouth communication). Again, refinement of the measures used to examine the constructs in the current study should also be a priority. Another important area of investigation should include the role of satisfaction as a mediator between consumer benefits and attitudinal loyalty.

Future research should focus on replicating this study with a different targeted respondent. A national survey of consumers of various backgrounds in various geographic areas could help to make the findings of this study more generalizable to the overall population. In addition, replicating the study while focusing on a different type of retail store could contribute to generalizability across the various types of retail establishments.

Future research should also examine the relationships between the dependent variables in the study. The role of satisfaction and loyalty as antecedents to higher share of purchases should be explored. In addition, the function of the attitudinal loyalty construct as a mediator of satisfaction and word of mouth communication warrants further investigation.

Limitations of this Study

Although the findings of this study made theoretical and managerial contributions, there are also several important limitations that must not be disregarded. First, this study was restricted to a specific sample in a specific geographic area. Therefore, the findings must be restricted to the population sampled (i.e., college students) in the geographic area represented. Replication of the study examining a different sample and/or geographic region could produce conflicting results.

Secondly, this study was limited to one specific type of retail store: specialty apparel stores using a store-as-the-brand strategy. These results may be generalizable to specialty stores using the store-as-the-brand strategy. However, the results may not be representative of other types of retail stores (i.e., department stores, mass merchandisers).

Next, it must be acknowledged that there may be numerous other variables that contribute to the development of consumer satisfaction, consumer loyalty, and consumer word of mouth communication besides the particular variables examined in the study. In addition to utilitarian and hedonic benefits, there may be other types of benefits not examined in this study that contribute to the satisfaction-loyalty-word of mouth chain. This study focused on two primary types of consumer benefits, including utilitarian and hedonic. In addition, there may be variables other than or in addition to consumer satisfaction that lead to the development of attitudinal loyalty. Likewise, word of mouth communication may be influenced by variables other than satisfaction and loyalty.

In addition, it is important to note that data were only collected once. A longitudinal study allowing for the comparison of results over time was not conducted. The results of this study reflect the respondents' feelings, attitudes, and behavior at a single point in time. Therefore, the results are not confirmed.

Lastly, the analysis methods used to examine the data in the study may have influenced the results. Several items were removed from the data set in order to provide for a better fitting confirmatory factor analytic model and resulting structural equation model. All of the measures used in the study were gathered using existing studies. However, modifications of these measures were made in the data analysis process.

Concluding Remarks

The primary objective of this study was to answer the research question "Can consumer benefits (i.e., utilitarian and hedonic) be linked to important outcome variables such as consumer satisfaction, consumer loyalty, and consumer word of mouth communication?" The findings of the study indicate that consumer benefits influence these outcomes. Therefore, the knowledge gained from conducting the study should provide useful information to both academics and practitioners.

Utilitarian and hedonic consumer benefits derived from the purchase experience do influence the consumer's satisfaction. In turn, satisfaction influences attitudinal loyalty. Attitudinal loyalty influences word of mouth communication behavior about the retail store. In turn, positive word of mouth communication is a significant source of value for the retailer. Therefore, retailers should recognize the importance of delivering the benefits consumers need and desire. Given this information, retailers have the opportunity to use the delivery of consumer benefits to their advantage in the case of retail store-as-the-brand situations. The outcomes of delivering these benefits to consumers can provide the crucial competitive edge needed in order to be successful in a highly competitive marketplace.

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APPENDICES

APPENDIX 1

REYNOLDS & BEATTY OVERALL MODEL OF
RELATIONSHIP BENEFITS AND CONSEQUENCES
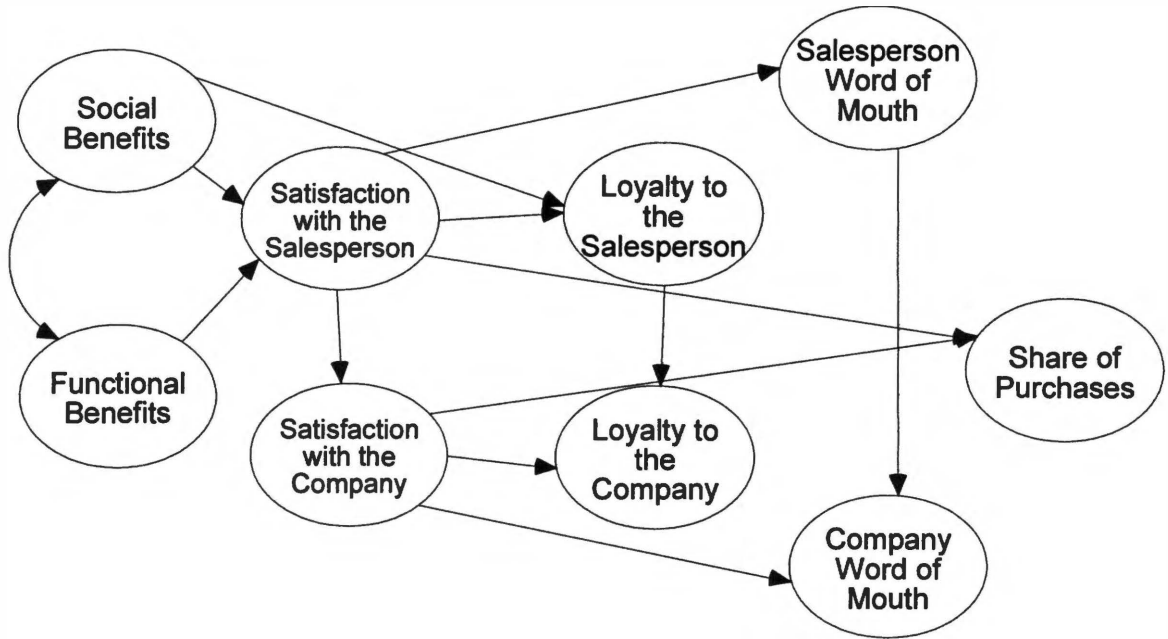
Figure 4: Reynolds and Beatty
Overall Model of Relationship Benefits and Consequences (1999)

APPENDIX 2

PRETEST MEASURES AND RESULTS

PRETEST SURVEY INSTRUMENT

Retail Store Brand Shopping Survey

Introduction

This is a survey designed to examine your shopping behavior with regard to retail store brands. After reviewing the information provided, please answer the questions to the best of your ability. If you have a question, the administrator will assist you.

There is no risk expected to participants. Your participation is greatly appreciated. Your responses, in combination with the responses of other participants, will help us to extend the body of knowledge of consumer behavior.

Your responses will be kept confidential and will only be used for this study. Storing the data from this study will be the responsibility of the primary researcher, and only the primary researcher will have access to the data.

If you have questions about the study or the procedures, you may contact the primary researcher, Jason Carpenter, at The University of Tennessee (jcarpen1@utk.edu). If you have questions about your rights as a participant, contact Research Compliance Services at (865) 974-3466.

Your participation in this study is voluntary, and you may decline to participate without penalty. Returning your completed questionnaire constitutes your consent to participate. If you agree to participate, please begin with the screening question below.

Thank You.

Screening Question:

In order to participate in this study, you must have shopped and made a purchase FOR YOURSELF at one of the following retail stores during the past six months. *If you have not physically entered the retail store during the past six months, shopped, and made a purchase from one of the retailers listed below, you should not continue with the survey.*

Please circle the name of the ONE retailer you have purchased from *most recently* for yourself. Therefore, if you have purchased an item for yourself from more than one of the retailers listed below during the past six months, please select the one retailer you have purchased from most recently.

Abercrombie & Fitch	American Eagle Outfitters
Banana Republic	The Gap
J. Crew	Old Navy

Please continue through the survey, relating all of your answers to your most recent purchase experience with the ONE retailer you circled above.

I. Considering your experience with the store you circled on the first page, please respond to the following statements.

1. How often do you visit the physical store?
   - ☐ Daily
   - ☐ Weekly
   - ☐ Every 2 weeks
   - ☐ Once a month
   - ☐ Every 2-6 months
   - ☐ Every 7-9 months
   - ☐ Less than once per year

2. How often do you visit the store's website?
   - ☐ Daily
   - ☐ Weekly
   - ☐ Every 2 weeks
   - ☐ Once a month
   - ☐ Every 2-6 months
   - ☐ Every 7-9 months
   - ☐ Less than once per year

II. Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your degree of agreement or disagreement with the statement.

	STRONGLY DISAGREE	DISAGREE	SLIGHTLY DISAGREE	UNCERTAIN	SLIGHTLY AGREE	AGREE	STRONGLY AGREE
1. I accomplished just what I wanted to during that shopping trip.	1	2	3	4	5	6	7
2. I couldn't buy what I really needed.	1	2	3	4	5	6	7
3. While shopping, I found just the item(s) I was looking for.	1	2	3	4	5	6	7
4. I was disappointed because I had to go to another store to complete my shopping.	1	2	3	4	5	6	7
5. That shopping trip was truly a joy.	1	2	3	4	5	6	7
6. I continued to shop, not because I had to, but because I wanted to.	1	2	3	4	5	6	7
7. That shopping trip truly felt like an escape.	1	2	3	4	5	6	7
8. Compared to other things I could have done, the time spent shopping was truly enjoyable.	1	2	3	4	5	6	7
9. I enjoyed being immersed in exciting new products.	1	2	3	4	5	6	7
10. I enjoyed that shopping trip for its own sake, not just for the items I may have purchased.	1	2	3	4	5	6	7

	STRONGLY DISAGREE	DISAGREE	SLIGHTLY DISAGREE	UNCERTAIN	SLIGHTLY AGREE	AGREE	STRONGLY AGREE
11. I had a good time because I was able to act on the "spur of the moment."	1	2	3	4	5	6	7
12. During the trip, I felt the excitement of the hunt.	1	2	3	4	5	6	7
13. While shopping, I was able to forget my problems.	1	2	3	4	5	6	7
14. While shopping, I felt a sense of adventure.	1	2	3	4	5	6	7
15. That shopping trip was not a very nice time out.	1	2	3	4	5	6	7
16. I am pleased with the outcome of that shopping trip.	1	2	3	4	5	6	7
17. I am happy with the outcome of that shopping trip.	1	2	3	4	5	6	7
18. I am contented with the outcome of that shopping trip.	1	2	3	4	5	6	7
19. Overall, I am satisfied with the outcome of that shopping trip.	1	2	3	4	5	6	7
20. I am very loyal to that store.	1	2	3	4	5	6	7
21. In the future, I plan to purchase from that same store.	1	2	3	4	5	6	7

(Please continue on to the next page.)

	STRONGLY DISAGREE	DISAGREE	SLIGHTLY DISAGREE	UNCERTAIN	SLIGHTLY AGREE	AGREE	STRONGLY AGREE
22. I am very committed to purchasing from that store.	1	2	3	4	5	6	7
23. I don't consider myself to be very loyal to that store.	1	2	3	4	5	6	7
24. I have favorite stores I buy from over and over.	1	2	3	4	5	6	7
25. Once I find a product or store I like, I stick with it.	1	2	3	4	5	6	7
26. I mention that store to others quite frequently.	1	2	3	4	5	6	7
27. I've told more people about that store than I've told about most other stores.	1	2	3	4	5	6	7
28. I seldom miss an opportunity to tell others about that store.	1	2	3	4	5	6	7
29. When I tell others about that store, I tend to talk about the store in great detail.	1	2	3	4	5	6	7
30. I seldom do more than mention the name of that store to others.	1	2	3	4	5	6	7
31. I have only good things to say about that store.	1	2	3	4	5	6	7
32. I am proud to tell others that I purchase from that store.	1	2	3	4	5	6	7

(Please continue on to the next page.)

	STRONGLY DISAGREE	DISAGREE	SLIGHTLY DISAGREE	UNCERTAIN	SLIGHTLY AGREE	AGREE	STRONGLY AGREE
33. The items I purchase from that store allow me to express myself.	1	2	3	4	5	6	7
34. The items I purchase from that store symbolize my individuality/personality.	1	2	3	4	5	6	7
35. The items I purchase from that store help me to feel good when engaging in social activities.	1	2	3	4	5	6	7
36. The items I purchase from that store enhance my self confidence.	1	2	3	4	5	6	7
37. The items I purchase from that store indicate that I am a member of a particular group.	1	2	3	4	5	6	7
38. The items I purchase from that store symbolize and communicate my social identity.	1	2	3	4	5	6	7

III. **Please respond to the following statements about your apparel purchases.**

1. Please estimate (in dollars) your average monthly purchases of clothing products from the retailer you've been referring to in the previous sections of the survey. *Your response should only reflect average monthly purchases from the retailer you circled on the first page.*

   $ _____

2. Please estimate (in dollars) your total monthly clothing purchases, including all stores, catalogs, television, and Internet shopping. *This estimate should include the amount listed in the previous question.*

   $ _____

(Please continue on to the next page.)

IV. **Please respond to the following questions. Please remember that your answers will be kept confidential and will only be used in aggregate with the answers of other respondents.**

1. What is your gender? ☐ Male ☐ Female

2. What is your age? ＿＿ years

3. Which of the following best describes your race?
   ☐ American Indian/Alaska Native ☐ Hispanic/Latino
   ☐ Asian ☐ White/Caucasian
   ☐ Black/African American ☐ Other
   ☐ Hawaiian/Other Pacific Islander

4. What is your class rank?
   ☐ Freshman ☐ Junior
   ☐ Sophomore ☐ Senior

5. What is your major? (please do not abbreviate) ＿＿＿＿＿＿＿＿＿＿＿

6. What was your total income, before taxes, in 2001?
   ☐ Less than $10,000 ☐ $75,000 - $99,999
   ☐ $10,000 - $24,999 ☐ $100,000 - $149,999
   ☐ $25,000 - $34,999 ☐ $150,000 - $199,999
   ☐ $35,000 - $49,999 ☐ $200,000 or more
   ☐ $50,000 - $74,999 ☐ I don't know

7. What was your parents' total household income, before taxes, in 2001?
   ☐ Less than $10,000 ☐ $75,000 - $99,999
   ☐ $10,000 - $24,999 ☐ $100,000 - $149,999
   ☐ $25,000 - $34,999 ☐ $150,000 - $199,999
   ☐ $35,000 - $49,999 ☐ $200,000 or more
   ☐ $50,000 - $74,999 ☐ I don't know

8. Which category best describes your marital status?
   ☐ Never Married ☐ Widowed
   ☐ Married ☐ Divorced
   ☐ Separated

Thank you for completing the survey.

PRETEST MEASURES AND RELIABILITY ANALYSIS

Retail Store Brand Utilitarian Consumer Benefits

Definition – refers to the consumer's evaluation of whether the outcome of a purchase experience was successful in terms of satisfying the need that stimulated the purchase experience (Babin, Darden, and Griffin, 1994).

The existing Babin, Darden, and Griffin (1994) scale was used to measure retail store brand utilitarian consumer benefits.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

UB1   I accomplished just what I wanted to during that shopping trip.
UB2   I couldn't buy what I really needed.*
UB3   While shopping, I found just the item(s) I was looking for.
UB4   I was disappointed because I had to go to another store to complete my shopping.*

* Indicates reverse-scored item
Seven-point Likert scale, anchored by strongly disagree/strongly agree

PRETEST RELIABILITY ANALYSIS:
RETAIL STORE BRAND UTILITARIAN CONSUMER BENEFITS

Item Statistics

	Mean	Std. Dev.	Cases
1. U1	5.74	1.151	91
2. U2*	2.92	1.593	91
3. U3	4.71	1.778	91
4. U4*	2.87	1.708	91

*Indicates reverse-scored item

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
16.2527	6.7910	2.6059	4	91

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
1. U1	10.5055	5.9194	.0809	.2893	.6834
2. U2	13.3297	5.6234	.1814	.3992	.4744
3. U3	11.5385	7.1846	.3730	.4083	.0848
4. U4	13.3846	4.7949	.1230	.3413	.6976

Reliability Coefficients – 4 Items

Alpha = .7184   Standardized Item Alpha = .7506

Retail Store Brand Hedonic Consumer Benefits

Definition – reflect the emotional or psychological worth of the purchase (Bellenger, Steinberg, and Stanton, 1976).

The existing Babin, Darden, and Griffin (1994) scale was used to measure retail store brand hedonic consumer benefits.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

HB1   That shopping trip was truly a joy.
HB2   I continued to shop, not because I had to, but because I wanted to.
HB3   That shopping trip truly felt like an escape.
HB4   Compared to other things I could have done, the time spent shopping was truly enjoyable.
HB5   I enjoyed being immersed in exciting new products.
HB6   I enjoyed that shopping trip for its own sake, not just for the items I may have purchased.
HB7   I had a good time because I was able to act on the "spur of the moment.
HB8   During the trip, I felt the excitement of the hunt.
HB9   While shopping, I was able to forget my problems.
HB10   While shopping, I felt a sense of adventure.
HB11   That shopping trip was not a very nice time out.*

* Indicates reverse-scored item
Seven-point Likert scale, anchored by strongly disagree/strongly agree

PRETEST RELIABILITY ANALYSIS:
RETAIL STORE BRAND HEDONIC CONSUMER BENEFITS

Item Statistics

	Mean	Std. Dev.	Cases
5. H1	4.86	1.292	91
6. H2	5.34	1.492	91
7. H3	4.09	1.549	91
8. H4	4.78	1.466	91
9. H5	5.07	1.447	91
10. H6	4.47	1.485	91
11. H7	4.82	1.434	91
12. H8	4.36	1.497	91
13. H9	4.42	1.571	91
14. H10	4.15	1.437	91
15. H11*	2.68	1.381	91

*Indicates reverse-scored item

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
49.0879	89.0366	9.4359	11	91

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
5. H1	44.2198	75.3067	.5374	.4989	.7899
6. H2	43.7473	71.1243	.6231	.5606	.7797
7. H3	44.9890	68.1221	.7238	.5969	.7679
8. H4	44.3077	68.8598	.7405	.6862	.7676
9. H5	44.0110	70.7888	.6634	.5210	.7760
10. H6	44.6154	76.1060	.4136	.3043	.8011
11. H7	44.2637	74.5963	.4997	.4312	.7926
12. H8	44.7253	72.4904	.5698	.4202	.7853
13. H9	44.6593	71.1382	.5820	.5389	.7835
14. H10	44.9341	72.3512	.5981	.5227	.7828
15. H11*	46.4066	93.8884	.5952	.4480	.7808

Reliability Coefficients – 4 Items

Alpha = .7580   Standardized Item Alpha = .7487

100

Retail Store Brand Satisfaction

Definition – a response (cognitive or affective) that pertains to a particular focus (i.e., a purchase experience and/or the associated product) and occurs at a certain time (i.e., post-purchase, post-consumption) (Gise and Cate, 1998).

The existing Reynolds and Beatty (1999) scale was used to measure retail store brand satisfaction.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

CS1   I am pleased with the outcome of that shopping trip.
CS2   I am happy with the outcome of that shopping trip.
CS3   I am contented with the outcome of that shopping trip.
CS4   Overall, I am satisfied with the outcome of that shopping trip.

Seven-point Likert scale, anchored by strongly disagree/strongly agree

PRETEST RELIABILITY ANALYSIS:
RETAIL STORE BRAND SATISFACTION

Item Statistics

	Mean	Std. Dev.	Cases
1. S1	5.5165	1.2855	91
2. S2	5.6044	1.1914	91
3. S3	5.4286	1.1846	91
4. S4	5.6154	1.1904	91

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
22.1648	18.5614	4.3083	4	91

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
1. S1	16.6484	10.4527	.7767	.6191	.8916
2. S2	16.5604	10.7602	.8164	.6687	.8765
3. S3	16.7363	11.0786	.7807	.6288	.8889
4. S4	16.5495	10.7836	.8136	.6669	.8775

Reliability Coefficients – 4 Items

Alpha = .9101   Standardized Item Alpha = .9107

Retail Store Brand Attitudinal Loyalty

Definition – the relationship between the relative attitude toward an entity (brand/product/service/store/vendor) and patronage behavior (Dick and Basu, 1994).

The existing Reynolds and Beatty (1999) scale was used to measure retail store brand attitudinal loyalty.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

CL1   I am very loyal to that store.
CL2   In the future, I plan to purchase from that same store.
CL3   I am very committed to purchasing from that store.
CL4   I don't consider myself to be very loyal to that store.*
CL5   I have favorite stores I buy from over and over.
CL6   Once I find a product or store I like, I stick with it.

* Indicates reverse-scored item
Seven-point Likert scale, anchored by strongly disagree/strongly agree

PRETEST RELIABILITY ANALYSIS:
RETAIL STORE BRAND ATTITUDINAL LOYALTY

Item Statistics

	Mean	Std. Dev.	Cases
1. AL1	4.6264	1.7234	91
2. AL2	5.8462	1.2011	91
3. AL3	4.6264	1.7169	91
4. AL4*	3.4835	1.8340	91
5. AL5	6.0989	1.0006	91
6. AL6	5.7363	1.2278	91

*Indicates reverse-scored item

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
30.4176	20.9348	4.5755	6	91

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
1. AL1	25.7912	11.3893	.5653	.8212	.1236
2. AL2	24.5714	14.4921	.5467	.4022	.2331
3. AL3	25.7912	10.5448	.6674	.8175	.0308
4. AL4	26.9341	30.1512	-.6246	.4422	.8408
5. AL5	24.3187	15.7973	.5200	.5659	.2822
6. AL6	24.6813	14.5973	.5148	.5536	.2459

Reliability Coefficients – 6 Items

Alpha = .7415   Standardized Item Alpha = .7480

Retail Store Brand Word of Mouth Communication

Definition – "relating pleasant, vivid, or novel experiences; recommendations to others; and even conspicuous display" (Arndt, 1968)

The existing Harrison-Walker (2001) scale was used to measure retail store brand word of mouth communication.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

WM1   I mention that store to others quite frequently.
WM2   I've told more people about that store than I've told about most other stores.
WM3   I seldom miss an opportunity to tell others about that store.
WM4   When I tell others about that store, I tend to talk about the store in great detail.
WM5   I seldom do more than mention the name of that store to others.*
WM6   I have only good things to say about that store.
WM7   I am proud to tell others that I purchase from that store.

* Indicates reverse-scored item
Seven-point Likert scale, anchored by strongly disagree/strongly agree

PRETEST RELIABILITY ANALYSIS:
RETAIL STORE BRAND WORD OF MOUTH COMMUNICATION

Item Statistics

	Mean	Std. Dev.	Cases
1. WM1	4.9341	1.7049	91
2. WM2	3.9560	1.6256	91
3. WM3	3.4396	1.5507	91
4. WM4	3.3297	1.6266	91
5. WM5*	4.0440	1.6256	91
6. WM6	4.8022	1.3184	91
7. WM7	5.1319	1.3516	91

*Indicates reverse-scored item

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
29.6374	53.5448	7.3174	7	91

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
1. WM1	24.7033	35.7665	.7293	.5987	.7336
2. WM2	25.6813	36.4418	.7368	.6107	.7336
3. WM3	26.1978	37.9604	.6897	.7200	.7447
4. WM4	26.3077	37.8376	.6527	.6277	.7509
5. WM5	25.5934	50.7328	.0073	.0544	.8650
6. WM6	24.8352	44.1614	.4363	.5042	.7905
7. WM7	24.5055	41.6305	.5784	.5819	.7682

Reliability Coefficients – 7 Items

Alpha = .8005   Standardized Item Alpha = .8014

Retail Store Brand Share of Purchases

Definition – the amount of a consumer's purchases of a certain product/brand in relation to the consumer's total purchases.

The existing Reynolds and Beatty (1999) scale was used to measure retail store brand share of purchases.

Multi-Item Scale

SP1   Please estimate (in dollars) your average monthly purchases of clothing products from the retailer you've been referring to in the previous sections of the survey. *Your response should only reflect average monthly purchases from the retailer you circled on the first page.*

SP2   Please estimate (in dollars) your total monthly clothing purchases, including all stores, catalogs, television, and Internet shopping. *This estimate should include the amount listed in the previous question.*

PRETEST DESCRIPTIVE STATISTICS

Descriptive Statistics

| | N | Mean | Std. | Skewness | | Kurtosis | |
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
U1	91	5.75	1.151	-1.589	.253	3.531	.500
U2	91	2.92	1.593	.904	.253	-.301	.500
U3	91	4.71	1.778	-.574	.253	-.884	.500
U4	91	2.87	1.708	.662	.253	-.765	.500
H1	91	4.87	1.293	-.759	.253	1.031	.500
H2	91	5.34	1.492	-1.365	.253	1.616	.500
H3	91	4.10	1.550	.070	.253	-.649	.500
H4	91	4.78	1.467	-.451	.253	-.404	.500
H5	91	5.08	1.447	-.789	.253	.329	.500
H6	91	4.47	1.486	-.382	.253	-.410	.500
H7	91	4.82	1.434	-.769	.253	-.003	.500
H8	91	4.36	1.480	-.104	.253	-.726	.500
H9	91	4.43	1.572	-.480	.253	-.634	.500
H10	91	4.15	1.437	-.322	.253	-.704	.500
H11	91	2.68	1.381	1.242	.253	.963	.500
S1	91	5.52	1.285	-1.305	.253	1.910	.500
S2	91	5.60	1.191	-1.322	.253	2.040	.500
S3	91	5.43	1.185	-.851	.253	.434	.500
S4	91	5.62	1.190	-1.230	.253	1.634	.500
AL1	91	4.63	1.723	-.452	.253	-.644	.500
AL2	91	5.85	1.201	-1.742	.253	4.555	.500
AL3	91	4.63	1.717	-.503	.253	-.599	.500
AL4	91	3.48	1.834	.380	.253	-1.088	.500
AL5	91	6.10	1.001	-1.699	.253	4.587	.500
AL6	91	5.74	1.228	-1.614	.253	3.418	.500
WM1	91	4.93	1.705	-.707	.253	-.378	.500
WM2	91	3.96	1.626	.152	.253	-.828	.500
WM3	91	3.44	1.551	.271	.253	-.729	.500
WM4	91	3.33	1.627	.494	.253	-.638	.500
WM5	91	4.04	1.626	-.199	.253	-.965	.500
WM6	91	4.80	1.318	-.607	.253	.350	.500
WM7	91	5.13	1.352	-1.128	.253	1.902	.500
Valid N (listwise)	91						

PRETEST EFA RESULTS

Retail Store Brand Utilitarian Consumer Benefits

Communalities

	Initial	Extraction
H1	1.000	.570
H2	1.000	.538
H3	1.000	.646
H4	1.000	.693
H5	1.000	.558
H6	1.000	.395
H7	1.000	.439
H8	1.000	.416
H9	1.000	.447
H10	1.000	.515
H11	1.000	.453
U1	1.000	.494
U2	1.000	.669
U3	1.000	.561
U4	1.000	.551

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.555	37.031	37.031	5.555	37.031	37.031	5.309	35.393	35.393
2	2.392	15.945	52.977	2.392	15.945	52.977	2.638	17.584	52.977
3	1.287	8.580	61.556						
4	.900	5.998	67.555						
5	.846	5.638	73.193						
6	.699	4.657	77.849						
7	.567	3.780	81.630						
8	.521	3.472	85.102						
9	.471	3.142	88.244						
10	.434	2.894	91.138						
11	.327	2.177	93.315						
12	.300	2.002	95.317						
13	.282	1.881	97.198						
14	.217	1.448	98.646						
15	.203	1.354	100.000						

Extraction Method: Principal Component Analysis.

Rotated Component Matrix

	Component	
	1	2
H1	.744	.394
H2	.734	-2.14E-03
H3	.801	6.915E-02
H4	.817	.158
H5	.716	.215
H6	.773	-.260
H7	.720	.232
H8	.735	.117
H9	.759	-.109
H10	.784	-.216
H11	-.768	-6.10E-02
U1	.186	.778
U2	-.110	-.811
U3	.139	.736
U4	-4.88E-02	-.741

Extraction Method: Principal Component Analysis.
Rotation Method: Quartimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Component Transformation Matrix

Component	1	2
1	.960	.279
2	.279	-.960

Extraction Method: Principal Component Analysis.
Rotation Method: Quartimax with Kaiser Normalization.

110

Retail Store Brand Consumer Satisfaction

Communalities

	Initial	Extraction
S1	1.000	.766
S2	1.000	.810
S3	1.000	.772
S4	1.000	.808

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.156	78.889	78.889	3.156	78.889	78.889
2	.355	8.885	87.774			
3	.259	6.483	94.257			
4	.230	5.743	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component
	1
S1	.875
S2	.900
S3	.879
S4	.899

Extraction Method: Principal Component Analysis.

[a] 1 components extracted.

Retail Store Brand Attitudinal Loyalty

Communalities

	Initial	Extraction
AL1	1.000	.762
AL2	1.000	.522
AL3	1.000	.799
AL4	1.000	.545
AL5	1.000	.484
AL6	1.000	.442

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.555	59.245	59.245	3.555	59.245	59.245
2	1.090	18.171	77.416			
3	.592	9.860	87.276			
4	.400	6.661	93.938			
5	.263	4.376	98.313			
6	.101	1.687	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component
	1
AL1	.873
AL2	.723
AL3	.894
AL4	-.739
AL5	.715
AL6	.705

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Retail Store Brand Word of Mouth Communication

Communalities

	Initial	Extraction
WM1	1.000	.699
WM2	1.000	.718
WM3	1.000	.716
WM4	1.000	.650
WM5	1.000	2.719E-05
WM6	1.000	.309
WM7	1.000	.504

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.597	51.386	51.386	3.597	51.386	51.386
2	1.167	16.675	68.061			
3	.994	14.204	82.265			
4	.463	6.616	88.881			
5	.348	4.965	93.846			
6	.255	3.639	97.485			
7	.176	2.515	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component
	1
WM1	.836
WM2	.848
WM3	.846
WM4	.806
WM5	5.214E-03
WM6	.706
WM7	.710

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

APPENDIX 3

FINAL MEASURES AND RESULTS

FINAL SURVEY INSTRUMENT

Retail Store Brand Shopping Survey

Introduction

This is a survey designed to examine your shopping behavior with regard to retail store brands. After reviewing the information provided, please answer the questions to the best of your ability. If you have a question, the administrator will assist you.

There is no risk expected to participants. Your participation is greatly appreciated. Your responses, in combination with the responses of other participants, will help us to extend the body of knowledge of consumer behavior.

Your responses will be kept confidential and will only be used for this study. Storing the data from this study will be the responsibility of the primary researcher, and only the primary researcher will have access to the data.

If you have questions about the study or the procedures, you may contact the primary researcher, Jason Carpenter, at The University of Tennessee (jcarpen1@utk.edu). If you have questions about your rights as a participant, contact Research Compliance Services at (865) 974-3466.

Your participation in this study is voluntary, and you may decline to participate without penalty. Returning your completed questionnaire constitutes your consent to participate. If you agree to participate, please begin with the screening question below.

Thank You.

Screening Question:

In order to participate in this study, you must have shopped and made a purchase FOR YOURSELF at one of the following retail stores during the past six months. *If you have not physically entered the retail store during the past six months, shopped, and made a purchase from one of the retailers listed below, you should not continue with the survey.*

Please circle the name of the ONE retailer you have purchased from *most recently* for yourself. Therefore, if you have purchased an item for yourself from more than one of the retailers listed below during the past six months, please select the one retailer you have purchased from most recently.

Abercrombie & Fitch	American Eagle Outfitters
Banana Republic	The Gap
J. Crew	Old Navy

Please continue through the survey, relating all of your answers to your most recent purchase experience with the ONE retailer you circled above.

I. **Considering your experience with the store you circled on the first page, please respond to the following statements.**

1. How often do you visit the physical store?
   ☐ Daily ☐ Every 2 weeks ☐ Every 2-6 months ☐ Less than once per year
   ☐ Weekly ☐ Once a month ☐ Every 7-9 months

2. How often do you visit the store's website?
   ☐ Daily ☐ Every 2 weeks ☐ Every 2-6 months ☐ Less than once per year
   ☐ Weekly ☐ Once a month ☐ Every 7-9 months

II. **Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey.** Please circle the number that best matches your degree of agreement or disagreement with the statement.

	STRONGLY DISAGREE	DISAGREE	SLIGHTLY DISAGREE	UNCERTAIN	SLIGHTLY AGREE	AGREE	STRONGLY AGREE
1. I accomplished just what I wanted to during that shopping trip.	1	2	3	4	5	6	7
2. I couldn't buy what I really needed.	1	2	3	4	5	6	7
3. While shopping, I found just the item(s) I was looking for.	1	2	3	4	5	6	7
4. I was disappointed because I had to go to another store to complete my shopping.	1	2	3	4	5	6	7
5. That shopping trip was truly a joy.	1	2	3	4	5	6	7
6. I continued to shop, not because I had to, but because I wanted to.	1	2	3	4	5	6	7
7. That shopping trip truly felt like an escape.	1	2	3	4	5	6	7
8. Compared to other things I could have done, the time spent shopping was truly enjoyable.	1	2	3	4	5	6	7
9. I enjoyed being immersed in exciting new products.	1	2	3	4	5	6	7
10. I enjoyed that shopping trip for its own sake, not just for the items I may have purchased.	1	2	3	4	5	6	7

	STRONGLY DISAGREE	DISAGREE	SLIGHTLY DISAGREE	UNCERTAIN	SLIGHTLY AGREE	AGREE	STRONGLY AGREE
11. I had a good time because I was able to act on the "spur of the moment."	1	2	3	4	5	6	7
12. During the trip, I felt the excitement of the hunt.	1	2	3	4	5	6	7
13. While shopping, I was able to forget my problems.	1	2	3	4	5	6	7
14. While shopping, I felt a sense of adventure.	1	2	3	4	5	6	7
15. That shopping trip was not a very nice time out.	1	2	3	4	5	6	7
16. I am pleased with the outcome of that shopping trip.	1	2	3	4	5	6	7
17. I am happy with the outcome of that shopping trip.	1	2	3	4	5	6	7
18. I am contented with the outcome of that shopping trip.	1	2	3	4	5	6	7
19. Overall, I am satisfied with the outcome of that shopping trip.	1	2	3	4	5	6	7
20. I am very loyal to that store.	1	2	3	4	5	6	7
21. In the future, I plan to purchase from that same store.	1	2	3	4	5	6	7

(Please continue on to the next page.)

	STRONGLY DISAGREE	DISAGREE	SLIGHTLY DISAGREE	UNCERTAIN	SLIGHTLY AGREE	AGREE	STRONGLY AGREE
22. I am very committed to purchasing from that store.	1	2	3	4	5	6	7
23. I don't consider myself to be very loyal to that store.	1	2	3	4	5	6	7
24. I have favorite stores I buy from over and over.	1	2	3	4	5	6	7
25. Once I find a product or store I like, I stick with it.	1	2	3	4	5	6	7
26. I mention that store to others quite frequently.	1	2	3	4	5	6	7
27. I've told more people about that store than I've told about most other stores.	1	2	3	4	5	6	7
28. I seldom miss an opportunity to tell others about that store.	1	2	3	4	5	6	7
29. When I tell others about that store, I tend to talk about the store in great detail.	1	2	3	4	5	6	7
30. I seldom do more than mention the name of that store to others.	1	2	3	4	5	6	7
31. I have only good things to say about that store.	1	2	3	4	5	6	7
32. I am proud to tell others that I purchase from that store.	1	2	3	4	5	6	7

(Please continue on to the next page.)

	STRONGLY DISAGREE	DISAGREE	SLIGHTLY DISAGREE	UNCERTAIN	SLIGHTLY AGREE	AGREE	STRONGLY AGREE
33. The items I purchase from that store allow me to express myself.	1	2	3	4	5	6	7
34. The items I purchase from that store symbolize my individuality/personality.	1	2	3	4	5	6	7
35. The items I purchase from that store help me to feel good when engaging in social activities.	1	2	3	4	5	6	7
36. The items I purchase from that store enhance my self confidence.	1	2	3	4	5	6	7
37. The items I purchase from that store indicate that I am a member of a particular group.	1	2	3	4	5	6	7
38. The items I purchase from that store symbolize and communicate my social identity.	1	2	3	4	5	6	7

III. **Please respond to the following statements about your apparel purchases.**

1. Please estimate (in dollars) your average monthly purchases of clothing products from the retailer you've been referring to in the previous sections of the survey. *Your response should only reflect average monthly purchases from the retailer you circled on the first page.*

   $ _____

2. Please estimate (in dollars) your total monthly clothing purchases, including all stores, catalogs, television, and Internet shopping. *This estimate should include the amount listed in the previous question.*

   $ _____

(Please continue on to the next page.)

121

IV. Please respond to the following questions. Please remember that your answers will be kept confidential and will only be used in aggregate with the answers of other respondents.

1. What is your gender? ☐ Male ☐ Female

2. What is your age? _____ years

3. Which of the following best describes your race?
   ☐ American Indian/Alaska Native ☐ Hispanic/Latino
   ☐ Asian ☐ White/Caucasian
   ☐ Black/African American ☐ Other
   ☐ Hawaiian/Other Pacific Islander

4. What is your class rank?
   ☐ Freshman ☐ Junior
   ☐ Sophomore ☐ Senior

5. What is your major? (please do not abbreviate) _____

6. What was your total income, before taxes, in 2001?
   ☐ Less than $10,000 ☐ $75,000 - $99,999
   ☐ $10,000 - $24,999 ☐ $100,000 - $149,999
   ☐ $25,000 - $34,999 ☐ $150,000 - $199,999
   ☐ $35,000 - $49,999 ☐ $200,000 or more
   ☐ $50,000 - $74,999 ☐ I don't know

7. What was your parents' total household income, before taxes, in 2001?
   ☐ Less than $10,000 ☐ $75,000 - $99,999
   ☐ $10,000 - $24,999 ☐ $100,000 - $149,999
   ☐ $25,000 - $34,999 ☐ $150,000 - $199,999
   ☐ $35,000 - $49,999 ☐ $200,000 or more
   ☐ $50,000 - $74,999 ☐ I don't know

8. Which category best describes your marital status?
   ☐ Never Married ☐ Widowed
   ☐ Married ☐ Divorced
   ☐ Separated

Thank you for completing the survey.

FINAL MEASURES AND RELIABILITY ANALYSIS

Retail Store Brand Utilitarian Consumer Benefits

Definition – refers to the consumer's evaluation of whether the outcome of a purchase experience was successful in terms of satisfying the need that stimulated the purchase experience (Babin, Darden, and Griffin, 1994).

The existing Babin, Darden, and Griffin (1994) scale was used to measure retail store brand utilitarian consumer benefits.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

UB1   I accomplished just what I wanted to during that shopping trip.
UB2   I couldn't buy what I really needed.*
UB3   While shopping, I found just the item(s) I was looking for.
UB4   I was disappointed because I had to go to another store to complete my shopping.*

* Indicates reverse-scored item
Seven-point Likert scale, anchored by strongly disagree/strongly agree

PRE-TEST RELIABILITY ANALYSIS:
RETAIL STORE BRAND UTILITARIAN CONSUMER BENEFITS

Item Statistics

	Mean	Std. Dev.	Cases
1. U1	5.75	1.151	276
2. U2*	2.92	1.593	276
3. U3	4.71	1.778	276
4. U4*	2.87	1.708	276

*Indicates reverse-scored item

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
16.0652	6.2139	2.4928	4	276

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
1. U1	10.4493	5.9938	.2205	.3586	.4753
2. U2	13.1957	5.4234	.2288	.4087	.4376
3. U3	11.2500	6.0209	.3087	.3654	.1944
4. U4	13.3007	4.4583	.1435	.3139	.7463

Reliability Coefficients – 4 Items

Alpha = .7267   Standardized Item Alpha = .7431

Retail Store Brand Hedonic Consumer Benefits

Definition – reflect the emotional or psychological worth of the purchase (Bellenger, Steinberg, and Stanton, 1976).

The existing Babin, Darden, and Griffin (1994) scale was used to measure retail store brand hedonic consumer benefits.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

HB1   That shopping trip was truly a joy.
HB2   I continued to shop, not because I had to, but because I wanted to.
HB3   That shopping trip truly felt like an escape.
HB4   Compared to other things I could have done, the time spent shopping was truly enjoyable.
HB5   I enjoyed being immersed in exciting new products.
HB6   I enjoyed that shopping trip for its own sake, not just for the items I may have purchased.
HB7   I had a good time because I was able to act on the "spur of the moment.
HB8   During the trip, I felt the excitement of the hunt.
HB9   While shopping, I was able to forget my problems.
HB10   While shopping, I felt a sense of adventure.
HB11   That shopping trip was not a very nice time out.*

* Indicates reverse-scored item
Seven-point Likert scale, anchored by strongly disagree/strongly agree

PRE-TEST RELIABILITY ANALYSIS:
RETAIL STORE BRAND HEDONIC CONSUMER BENEFITS

Item Statistics

	Mean	Std. Dev.	Cases
5. H1	4.86	1.292	276
6. H2	5.34	1.492	276
7. H3	4.09	1.549	276
8. H4	4.78	1.466	276
9. H5	5.07	1.447	276
10. H6	4.47	1.485	276
11. H7	4.82	1.434	276
12. H8	4.36	1.497	276
13. H9	4.42	1.571	276
14. H10	4.15	1.437	276
15. H11*	2.68	1.381	276

*Indicates reverse-scored item

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
42.2355	127.2498	11.2805	11	276

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
5. H1	40.7210	105.6055	.6498	.5581	.7390
6. H2	40.1667	102.2630	.6622	.5219	.7369
7. H3	42.5399	99.9293	.7246	.5637	.7316
8. H4	40.8804	98.9129	.7956	.7035	.7263
9. H5	40.6196	100.2002	.7471	.5882	.7302
10. H6	41.2210	104.1555	.6273	.4465	.7399
11. H7	40.6993	107.7456	.5453	.3970	.7462
12. H8	41.2645	101.4098	.6927	.5297	.7344
13. H9	41.3080	102.5412	.6624	.5095	.7369
14. H10	41.6159	102.6738	.6760	.5684	.7361
15. H11*	42.3188	147.7962	.6466	.4670	.7162

Reliability Coefficients – 4 Items

Alpha = .7580   Standardized Item Alpha = .7487

Retail Store Brand Satisfaction

Definition – a response (cognitive or affective) that pertains to a particular focus (i.e., a purchase experience and/or the associated product) and occurs at a certain time (i.e., post-purchase, post-consumption) (Gise and Cate, 1998).

The existing Reynolds and Beatty (1999) scale was used to measure retail store brand satisfaction.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

CS1   I am pleased with the outcome of that shopping trip.
CS2   I am happy with the outcome of that shopping trip.
CS3   I am contented with the outcome of that shopping trip.
CS4   Overall, I am satisfied with the outcome of that shopping trip.

Seven-point Likert scale, anchored by strongly disagree/strongly agree

RELIABILITY ANALYSIS:
RETAIL STORE BRAND SATISFACTION

Item Statistics

	Mean	Std. Dev.	Cases
1. S1	5.45	1.191	276
2. S2	5.45	1.191	276
3. S3	5.44	1.095	276
4. S4	5.57	1.063	276

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
21.9348	16.8321	4.1027	4	276

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
1. S1	16.4783	9.4504	.8137	.6874	.9045
2. S2	16.4819	9.2397	.8522	.7324	.8908
3. S3	16.4891	10.1853	.7787	.6315	.9151
4. S4	16.3551	9.9607	.8547	.7325	.8916

Reliability Coefficients – 4 Items

Alpha = .9236   Standardized Item Alpha = .9245

Retail Store Brand Attitudinal Loyalty

Definition – the relationship between the relative attitude toward an entity (brand/product/service/store/vendor) and patronage behavior (Dick and Basu, 1994).

The existing Reynolds and Beatty (1999) scale was used to measure retail store brand attitudinal loyalty.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

CL1   I am very loyal to that store.
CL2   In the future, I plan to purchase from that same store.
CL3   I am very committed to purchasing from that store.
CL4   I don't consider myself to be very loyal to that store.*
CL5   I have favorite stores I buy from over and over.
CL6   Once I find a product or store I like, I stick with it.

* Indicates reverse-scored item
Seven-point Likert scale, anchored by strongly disagree/strongly agree

RELIABILITY ANALYSIS:
RETAIL STORE BRAND ATTITUDINAL LOYALTY

Item Statistics

	Mean	Std. Dev.	Cases
1. AL1	4.23	1.759	276
2. AL2	5.66	1.220	276
3. AL3	4.23	1.716	276
4. AL4*	3.68	1.740	276
5. AL5	5.85	1.194	276
6. AL6	5.53	1.277	276

*Indicates reverse-scored item

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
29.2174	20.8908	4.5706	6	276

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
1. AL1	24.9819	11.3560	.5428	.7351	.0918
2. AL2	23.5507	14.3211	.5503	.4306	.1912
3. AL3	24.9783	11.3159	.5740	.7128	.0710
4. AL4	25.5290	30.8610	-.6722	.5260	.2036
5. AL5	23.3623	14.5664	.5373	.4781	**.8211**
6. AL6	23.6848	14.7621	.4581	.4453	.2349

Reliability Coefficients – 6 Items

Alpha = .4177   Standardized Item Alpha = .4220

Alpha (AL5 dropped): .8211

Retail Store Brand Word of Mouth Communication

Definition – "relating pleasant, vivid, or novel experiences; recommendations to others; and even conspicuous display" (Arndt, 1968)

The existing Harrison-Walker (2001) scale was used to measure retail store brand word of mouth communication.

Multi-Item Scale

Your responses to the following questions should reflect your most recent purchase experience with the retailer you circled on the first page of the survey. Please circle the number that best matches your agreement or disagreement with the statement.

WM1   I mention that store to others quite frequently.
WM2   I've told more people about that store than I've told about most other stores.
WM3   I seldom miss an opportunity to tell others about that store.
WM4   When I tell others about that store, I tend to talk about the store in great detail.
WM5   I seldom do more than mention the name of that store to others.*
WM6   I have only good things to say about that store.
WM7   I am proud to tell others that I purchase from that store.

* Indicates reverse-scored item
Seven-point Likert scale, anchored by strongly disagree/strongly agree

RELIABILITY ANALYSIS:
RETAIL STORE BRAND WORD OF MOUTH COMMUNICATION

Item Statistics

	Mean	Std. Dev.	Cases
1. WM1	4.64	1.715	276
2. WM2	3.77	1.638	276
3. WM3	3.08	1.505	276
4. WM4	2.91	1.552	276
5. WM5*	4.10	1.613	276
6. WM6	4.55	1.380	276
7. WM7	4.84	1.394	276

*Indicates reverse-scored item

Statistics for Scale

Mean	Variance	Std. Dev.	N of Variables	N of Cases
27.9130	53.4542	7.3112	7	276

Item-to-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
1. WM1	23.2717	36.9695	.6490	.5128	.7515
2. WM2	24.1377	36.4392	.7246	.5752	.7365
3. WM3	24.8297	38.2364	.6958	.6830	.7451
4. WM4	24.9964	38.4182	.6559	.6088	.7518
5. WM5	23.8080	51.1812	-.0143	.0134	.8681
6. WM6	23.3623	42.4210	.5074	.4685	.7798
7. WM7	23.0725	40.3656	.6287	.5356	.7596

Reliability Coefficients – 7 Items

Alpha = .8009   Standardized Item Alpha = .8043

Retail Store Brand Share of Purchases

Definition – the amount of a consumer's purchases of a certain product/brand in relation to the consumer's total purchases.

The existing Reynolds and Beatty (1999) scale was used to measure retail store brand share of purchases.

Multi-Item Scale

SP1   Please estimate (in dollars) your average monthly purchases of clothing products from the retailer you've been referring to in the previous sections of the survey. *Your response should only reflect average monthly purchases from the retailer you circled on the first page.*

SP2   Please estimate (in dollars) your total monthly clothing purchases, including all stores, catalogs, television, and Internet shopping. *This estimate should include the amount listed in the previous question.*

DESCRIPTIVE STATISTICS

Descriptive Statistics

	N	Mean	Std.	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
U1	276	5.62	1.255	-1.499	.147	2.509	.292
U2	276	2.87	1.569	.906	.147	-.183	.292
U3	276	4.82	1.633	-.643	.147	-.706	.292
U4	276	2.76	1.662	.891	.147	-.262	.292
H1	276	4.51	1.461	-.498	.147	-.181	.292
H2	276	5.07	1.660	-.889	.147	-.137	.292
H3	276	3.70	1.689	.144	.147	-.856	.292
H4	276	4.36	1.624	-.290	.147	-.793	.292
H5	276	4.62	1.631	-.520	.147	-.516	.292
H6	276	4.01	1.602	-.147	.147	-.877	.292
H7	276	4.54	1.519	-.499	.147	-.615	.292
H8	276	3.97	1.656	.042	.147	-.979	.292
H9	276	3.93	1.641	-.032	.147	-.985	.292
H10	276	3.62	1.606	.069	.147	-1.024	.292
H11	276	2.92	1.439	.848	.147	.068	.292
S1	276	5.46	1.192	-1.098	.147	1.320	.292
S2	276	5.45	1.191	-.972	.147	.841	.292
S3	276	5.45	1.096	-.821	.147	.747	.292
S4	276	5.58	1.064	-1.013	.147	1.498	.292
AL1	276	4.24	1.760	-.210	.147	-.926	.292
AL2	276	5.67	1.220	-1.372	.147	2.524	.292
AL3	276	4.24	1.716	-.246	.147	-.934	.292
AL4	276	3.69	1.741	.137	.147	-1.141	.292
AL5	276	5.86	1.194	-1.679	.147	3.749	.292
AL6	276	5.53	1.277	-1.391	.147	2.411	.292
WM1	276	4.64	1.716	-.458	.147	-.776	.292
WM2	276	3.78	1.638	.250	.147	-.807	.292
WM3	276	3.08	1.505	.502	.147	-.384	.292
WM4	276	2.92	1.553	.739	.147	-.271	.292
WM5	276	4.11	1.614	-.308	.147	-.925	.292
WM6	276	4.55	1.381	-.465	.147	-.022	.292
WM7	276	4.84	1.395	-.733	.147	.473	.292
Valid N (listwise)	276						

CFA ACTIONS TAKEN TO IMPROVE THE MODEL

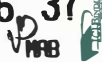| Action Taken	Results	Previous Comparison	Current Results
Original CFA Model: All variables, all items included	Chi^2		1177.561
	Df		481
	CFI		0.869
	RMSEA (p-close)		0.073 (0.000)
Removed items H1, AL5, AL6, WM1	Chi^2	1177.561	786.081
	Df	481	363
	CFI	0.869	0.911
	RMSEA (p-close)	0.073 (0.000)	0.065 (0.000)
Correlated error terms U2/U4, H8/H10, H9/H10, WM3/WM4, WM3/WM6, WM3/WM7, WM6/WM7	Chi^2	786.081	574.468
	Df	363	356
	CFI	0.911	0.954
	RMSEA (p-close)	0.065 (0.000)	0.047 (0.735)

NESTED STRUCTURAL EQUATION MODEL COMPARISON

Fit Measure	A priori	Partial Mediation	Complete Mediation	Complete Mediation With Sat/SP Path Removed
Chi^2	741.165	646.743	646.839	646.984
Df	366	365	366	367
Discrepancy/df	2.025	1.772	1.767	1.763
CFI	.921	.941	.941	.941
RMSEA (p-close)	0.061 (0.002)	0.053 (0.227)	0.053 (0.238)	0.053 (0.250)

VITA

Jason Matthew Carpenter was born in Tennessee in 1975 and graduated from Knoxville Central High School in 1993. He received a B.S. in Human Ecology from The University of Tennessee in 1997. Later that year, he began work on his M.S. in Retail and Consumer Sciences at The University of Tennessee. After completing his M.S., Jason entered the Ph.D. program in Retail and Consumer Sciences at The University of Tennessee. He received the Ph.D. in 2003 and began his academic career as Assistant Professor at The University of Missouri-Columbia.